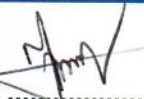





OPTIMA

MINES & MINERALS LIMITED

HUMAN RESOURCE POLICY

Signed: 
.....
Managing Director
AMBRAGE BIONDO

Signed: 
.....
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ARNOLD ANANURA

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Contents

Contents	1
1.1 Purpose and Objectives	4
1.2 Human Resource Policy and Application	5
1.3 Accessibility to the Manual.....	5
1.4 Definition of Employees.....	5
SECTION 1 – EMPLOYING STAFF: <i>Employing staff fairly and expertly, ensuring they are properly inducted, and ensuring they are aware of the required standards of business conduct including use of email and the internet.</i>	6
2.1 Introduction.....	6
2.2 Advertisements.....	6
2.3 Application Forms	6
2.4 Selection Methods.....	8
2.5 Relevant Checks	9
2.6 Probationary Period	9
2.7 Recruitment Monitoring	9
2.8 Exit Interviews	9
2. Induction Policy and Checklist.....	11
1. General Policy Statement	11
2. Aim.....	11
3. The Company’s Commitment	11
4. General.....	12
5. Benefits of Induction.....	12
6. Induction Checklist	12
7. First Day of Employment	13
8. Induction Programmes	13
9. Completing the Induction Process.....	14
10. Induction Programme for New Staff	15
3. Standards of Business Conduct	20
2.9. 1. Introduction	20
2.10. 2. Standard of Conduct Required by the Company	21
SECTION 2 – MANAGING EMPLOYEE PERFORMANCE: <i>SETTING OBJECTIVES, ASSESSING AND MANAGING EMPLOYEE PERFORMANCE INCLUDING ABSENCES, MISCONDUCT AND CAPABILITY ISSUES.</i>.....	24
5. Performance Appraisal Policy.....	25
2.11. 1. Appraisal Policy	25
2.12. 2. Core Principles of the Appraisal Policy.....	25

2.13.	3. Performance Appraisal Implementation	26
4.	The Appraisal Discussion	26
5.	Training and Monitoring	27
6.	Performance Appraisal & Personal Development Plan Pro Forma.....	28
6.	Controlling Absence Policy	33
2.14.	1. Policy.....	33
2.15.	2. Overview of Procedural Stages.....	33
4.	Appeals.....	34
5.	Procedures Check List	35
6.	Return to Work Interview Form	38
7.	Disciplinary Procedure	40
1.	Scope	40
2.	Suspension	40
3.	Counselling	40
4.	Procedure for Formal Investigation	41
5.	Warnings.....	42
6.	Letter of Warning.....	44
7.	Appeals.....	44
8.	Capability Procedure	46
2.16.	1. Introduction	46
2.17.	2. Procedure.....	46
2.18.	3. Appeals.....	48
2.19.	4. Long-Term/Persistent Illness.....	49
SECTION 3 - DEALING WITH EMPLOYEE CONCERNS: <i>Hearing Grievances, dealing with Bullying & Harassment, and making provisions for "Whistleblowing"</i>		50
9.	Grievance Procedure	51
1.	Stage 1	51
2.	Stage 2.....	51
3.	Stage 3.....	52
4.	Using mediation.....	52
5.	Appendices	53
10.	Prevention of Bullying and Harassment at Work.....	55
3.1.	1. Statement of Policy.....	56
3.2.	2. Key Principles.....	56
3.3.	3. Procedure.....	58

SECTION 4 – SUPPORTING OUR STAFF IN THE WORKPLACE: *By ensuring Equality and Fairness in all aspects of Employment; dealing with Alcohol and Drug issues, and ensuring their Health & Safety is properly guarded.* 62

12. Equality Policy.....	63
3.4. 1. Policy Statement.....	63
3.5. 2. Our Commitment.....	63
3.6. 3. Responsibilities of Management	64
3.7. 4. Responsibilities of Staff.....	64
3.8. 5. Third Parties	64
3.9. 6. Related Policies and Arrangements	65
3.10. 7. Rights of Disabled People	65
3.11. 8. Equality Training.....	65
3.12. 9. Monitoring	65
3.13. 10. Grievances/Discipline.....	66
3.14. 11. Review	66
13. Drug and Alcohol Abuse Policy	67
3.15. 1. Introduction	67
3.16. 2. Assistance for a Member of Staff.....	67
3.17. 3. Disciplinary Action.....	68
3.18. 4. Procedures	68
3.19. 5. Recognition of the existence of a possible alcohol or drug abuse problem.	69
3.20. 6. Diagnosing the existence of an alcohol or drug abuse problem.	70
3.21. 7. Confirmation that a problem exists and treatment arrangements.	70
3.22. 8. Situations where a Disciplinary Situation does not exist	71

1. INTRODUCTION

This Human Resources Manual is provided as a central reference for all managers, supervisors as employees and applies to staff across all locations where the Company carries out its work.

The policies expounded herein promote the philosophy of Optima Mines and Minerals Limited. with regard to standards of excellence; terms of employment; employee development; and employee services.

It is necessary to change these policies from time to time to reflect changes in the workforce, employment trends, economic conditions and Uganda and East African legislation as well as align them to the local content requirements of the extractives sector. However, any changes in policy will be consistent with the Optima Mines & Minerals approach to:

- Employing talented individuals whose creativity and imagination will support and contribute to achieving the Company's business objectives;
- Communicating Company standards and expectations in all aspects of employment including performance;
- Valuing diversity, and assure equal employment opportunity and a workplace where relationships are based on mutual respect;
- Treating all staff, workers, contractors and customers in a professional, non-discriminatory manner;
- providing safe, effective working conditions, and;
- providing competitive terms and conditions in our workplace market

Any Policy changes will be fully consulted on and communicated to all staff through normal communication channels. This Policy Manual will also be updated as necessary.

1.1 Purpose and Objectives

1.1.1. This is an official and approved document of OPTIMA Mines and Minerals Limited containing the current Human Resource Policies and Procedures as well as Terms and Conditions of service which govern the relationship between Optima Mines and Minerals, the employer and its employees.

1.1.2. The general object of this manual is to provide guidelines for managing the relationship between Optima Mines and Minerals Limited and its employees.

1.1.3. The specific objectives of the manual are;

- i) To provide and define rights, obligations, roles and responsibilities of both Optima Mines and Minerals Limited as the employer, and members of staff as the employees.
- ii) To create and promote the company effort to attracting rewarding, satisfying and retaining high calibre employees.
- iii) To put in place governance guidelines that will regulate the implementation of the said relationship; and

- iv) To provide a framework within which decisions that promote equity and the way employees are treated

1.2. Human Resource Policy and Application

- 1.2.1 The BOD will be the final authority to interpret the application of the manual
- 1.2.2 The remuneration spelt out in the manual shall be reviewed from time to time within the financial capacity of the company so as to attract and retain employees of high calibre
- 1.2.3 The rapport between employers and employees shall be conducted in an atmosphere of transparency and accountability.

1.3. Accessibility to the Manual

- 1.3.1. All employees will be granted access to the Human Resource manual and shall be permitted to have knowledge of its contents.
- 1.3.2. The manual will be strictly for internal use unless there has been prior approval for external use.

1.4. Definition of Employees

An “employee” of Optima Mines and Minerals Limited is someone who regularly works for the company and earns a wage or salary. Employees may be on a part-time or full-time contract with the company and are subject to the control and direction of Optima mines and Minerals in the execution of their duties.

SECTION 1 – EMPLOYING STAFF: *Employing staff fairly and expertly, ensuring they are properly inducted, and ensuring they are aware of the required standards of business conduct including use of email and the internet.*

2. Recruitment and Appointment of Employees

2.1. Introduction

Effective recruitment and selection is central and crucial to the successful functioning of Optima Mines and Minerals, it depends on finding people with the necessary skills, expertise and qualifications to deliver the Company's strategic objectives and the ability to make a positive contribution to the values and aims of the organisation.

2.2. Advertisements

- 2.2.1. Vacancies available will when deemed necessary be advertised in an appropriate newspaper or journal, and will not be confined to those media which, because of their particular source of applicants, provide only or mainly applicants of a particular group.
- 2.2.2. All vacancies will also be posted on the Company Intranet, and internal notice boards. Optima Mines & Minerals is keen to facilitate internal promotions wherever possible as development opportunities for its staff.
- 2.2.3. Optima Mines & Minerals may, on occasions, decide to restrict advertisement to internal candidates only. Furthermore, **junior** posts will always be advertised internally in the first instance, to provide continuous development of existing members of staff unless the Management team agrees that this is not appropriate due to the specialist skills required for the post involved.
- 2.2.4. Vacancies, which are restricted to internal candidates only will be clearly indicated on the advertisement. All internal candidates will be selected for interview on the same criteria as external candidates.
- 2.2.5. Employees on maternity leave will receive all advertisements for posts advertised in the Company during their period of maternity leave.

2.3. Application Forms

- 2.3.1. Candidates for all posts will, except on some occasions when a vacancy is restricted to internal recruitment, be asked to complete a standard application form, in order that they can be judged on the basis of comparable information.
- 2.3.2. In applying for posts, all candidates will be provided with a job description, details of the appropriate conditions of service and details about the Company. A brief statement about the appointment procedure will also be provided and, if possible, an indication of the date (or week) when interviews will be held. The job description will include a list of the main duties and responsibilities of the

post, together with an outline of the qualifications and experience which candidates are expected to possess.

- 2.3.3. In drawing up the job description and conditions of service the Company will ensure that no job applicant receives less favourable treatment than another on the grounds of disability, gender, race, religion or belief, age, sexual orientation, marital status, parental status, caring responsibilities or hours of work, and that no applicant is placed at a disadvantage unjustifiably by requirements or conditions which have a disproportionately adverse effect on a particular group.
- 2.3.4. Applicants will be required to supply the names and addresses of two people from whom references can be obtained, one of which should normally be the applicant's current or most recent employer.
- 2.3.5. Only references for short listed candidates for interview will be obtained. References will normally be sought prior to interview, unless the candidate indicates otherwise.
- 2.3.6. References should normally be made in writing or email, but those received by telephone will be accepted, provided that a note of the conversation is recorded and placed on file.
- 2.3.7. All candidates will be asked to declare on the application form whether they have ever been convicted of any criminal offence.
- 2.3.8. Applicants will also be required to declare if they are related to any member of staff within the Company. Canvassing of members of the Company is not permitted. No manager should be put into a position where he or she is asked to interview a person to whom they are related.
- 2.3.9. It is the Company's policy not to communicate further with applicants other than those who are shortlisted. A note to this effect is included in the details sent out to applicants.
- 2.3.10. Applicants details will be recorded at the point of receipt. All information relating to the data collected in the equality and diversity recruitment monitoring form will be hidden from all those involved in the recruitment and selection process. The information collected will be solely used for the purposes of equality monitoring.
- 2.3.11. All completed applications forms are private and confidential and should only be made available to those directly involved in the recruitment and selection process.
- 2.3.12. All application forms will be collated by Human Resources Department / Company Administrator and supplied to the appointing manager and interview panel for shortlisting purposes.
- 2.3.13. A shortlist of candidates will be drawn up for interview, based entirely on merit and suitability for the post but taking account of the Company's responsibilities in relation to the Disability Discrimination and Equalities Acts. Other than in exceptional circumstances, reasonable notice will be given to ensure that

candidates have sufficient time in order to prepare for and make the necessary arrangements to attend the interview.

2.4. Selection Methods

- 2.4.1. Interviews will be held by a panel comprising of ideally three persons, but a minimum of two persons, gender balanced wherever possible. The interviewers will encourage candidates to be at ease during the interview, in order that they can give a fair and accurate impression of themselves.
- 2.4.2. A representative from Human Resources will be present on all interviews for posts below Director level. The Company's HR Adviser will be present on interview panels for posts of Director and above.
- 2.4.3. The selection and appointment of the Chief Executive will be made by members of the Board and the panel will be chaired by the Board Chairman.
- 2.4.4. A set of questions will be agreed by the interview panel in advance and will be developed from the current job description for the post. The panel will seek to develop questions which ask the candidates to give examples of their previous relevant experience.
- 2.4.5. All candidates will be asked the same questions in the same order, and their responses rated between 1-10. The panel will each have a copy of the questions and will score independently of each other during the interview. Time is allocated between interviews for the panel to discuss each candidate and to award a total point score. Additional notes may be made by the panel during the interview, however it should be noted that candidates will have access to all information should they request it.
- 2.4.6. It should be remembered that an interview is a two-way process, and candidates will be given every opportunity to view the offices where they will work and ask questions about the Company, to ensure that they have a full understanding of the post for which they are applying and the way the Company operates.
- 2.4.7. In addition to interviews, a range of other selection techniques may be used. In such circumstances, reasonable notice and relevant information will be given to ensure that candidates have sufficient time and information to prepare.
- 2.4.8. All appointments will be made strictly on merit and related to the requirements of the job.
- 2.4.9. The Chief Executive has delegated powers to make appointments to posts below Director level or equivalent. For Director level posts the Chief Executive will consult with the Chairman to determine Board Members' level of involvement.
- 2.4.10. All interviewed candidates will be notified of the outcome of the selection process as soon as possible, either by telephone or letter.

2.4.11. All unsuccessful candidates' application forms and interview notes will be retained for one year from the date of interviews taking place. After this date, they will be destroyed.

2.5. *Relevant Checks*

2.5.1. All offers of employment will be made conditional upon satisfactory results from the following:

- two satisfactory references;
- confirmation of the right to work in this country (if appropriate)
- Criminal Records Disclosure (if appropriate).

2.6. *Probationary Period*

2.6.1. All appointments into the Company will be made subject to a probationary period of six calendar months. After three months, a review meeting will take place between the post holder and their line manager to discuss progress. At the end of the probationary period, and subject to a satisfactory report by the appropriate head of section or line manager, employees will be notified in writing that they have successfully completed their probationary period. The probationary period can be extended by a further 3 months should the individuals line manager consider this appropriate.

2.7. *Recruitment Monitoring*

2.7.1. The Company seeks to recruit employees on the basis of their ability and the requirements of the post.

2.7.2. The Company wants to ensure that no applicant receives less favourable treatment than another on the grounds of gender, race, religion or belief, age, marital status, parental status, caring responsibilities or hours of work.

2.7.3. In order to meet this commitment, all candidates are asked to complete a recruitment monitoring form enclosed with the application form.

2.7.4. All completed monitoring forms will be treated as confidential. The form will be separated from the application form on receipt and those involved in the selection process will not have access to it. The information given by candidates will be solely used for the purpose of monitoring the recruitment process.

2.8. *Exit Interviews*

2.8.1. All employees who leave the employment of the Company voluntarily will have an exit interview with their manager before their last day of employment.

2.8.2. Exit interviews provide the opportunity for departing employees to discuss

their reasons for leaving. The information provided is useful in identifying trends, learning and development and evaluating the effectiveness of HR policies and practices.

- 2.8.3. The appropriate line manager should receive all appropriate information, such as recommendations made for change, or significant issues raised in the questionnaire, whilst bearing in mind confidentiality issues. The exit interview questionnaire will be retained on the employee's personal file.

2. Induction Policy and Checklist

1. *General Policy Statement*

Optima Mines & Minerals believes that all new employees MUST be given timely induction training. This training is regarded as a vital part of staff recruitment and integration into the working environment. This policy, associated procedures and guidelines define the Company's commitment to ensure that all staff are supported during the period of induction, to the benefit of the employee and Company alike.

2. *Aim*

It is the aim of the Company to ensure that staff induction is dealt with in an organised and consistent manner, to enable staff to be introduced into a new post and working environment quickly, so that they can contribute effectively as soon as possible. This induction policy, associated procedures and guidelines aim to set out general steps for managers and staff to follow during the induction process. It is expected that all managers and staff will adhere to this policy.

The Company expects that the implementation of good induction practice by managers/supervisors will:

- Enable new employees to settle into the Company quickly and become productive and efficient members of staff within a short period of time.
- Ensure that new entrants are highly motivated and that this motivation is reinforced.
- Assist in reducing staff turnover, lateness, absenteeism and poor performance generally.
- Assist in developing a management style where the emphasis is on leadership.
- Ensure that employees operate in a safe working environment.
- Will reduce costs associated with repeated recruitment, training and lost production.

“Optima Mines & Minerals believes its employees are its greatest asset and recognises its responsibility to ensure they are afforded appropriate development throughout their employment. This development begins at the Induction stage when a new employee joins.”

3. *The Company's Commitment*

The Company Human Resources Department / Head Office will:

- Issue guidelines to familiarise managers and staff with the induction process.
- Maintain and update the Induction Policy.
- Provide a checklist for managers and staff to follow during the induction period.
- Ensure there is effective monitoring of the induction process particularly in the first three months.

- Deal with any problems promptly providing an efficient service for both managers and staff.
- Review all policy, procedure and guideline documents on a regular basis.
- Provide relevant formal training courses necessary to assist the induction process.

GUIDELINES FOR MANAGERS/SUPERVISORS

4. *General*

Starting a new job is a demanding and often stressful experience. Quite apart from the obvious challenge of tackling new tasks, there is also the need to become accustomed to a new organisation, a new environment and new colleagues. The purpose of induction is to support new employees during this difficult period and to help them become fully integrated into the Company as quickly and as easily as possible.

Induction has benefits for all involved in the process. Employees who settle quickly into the Company will become productive and efficient at an early stage and in turn will experience feelings of worth and satisfaction.

It is generally recognised that new employees are highly motivated and an effective induction process will ensure that this motivation is reinforced.

5. *Benefits of Induction*

The advantages of an effective and systematic induction process are as follows:

- To enable new employees to settle into the Company quickly and become productive and efficient members of staff within a short period of time.
- To ensure that new entrants are highly motivated and that this motivation is reinforced.
- To assist in reducing staff turnover, lateness, absenteeism and poor performance generally.
- To assist in developing a management style where the emphasis is on leadership.
- To ensure that new employees operate in a safe working environment.
- To reduce costs associated with repeated recruitment, training and lost production.

6. *Induction Checklist*

The Induction checklist is a very useful way of ensuring that information is imparted to new employees when they are likely to be most receptive. It avoids overloading employees with information during the first weeks whilst ensuring that all areas are covered. Managers/supervisors should ensure that these matters have been properly understood whilst the checklist is being completed, perhaps in the form of a weekly chat with the new entrant. Arrangements should also be made for the employee to visit any relevant departments with which they have regular contact in the course of their duties.

At the end of the process the induction checklist should be signed by the relevant parties and placed in the member of staff's personnel file.

7. *First Day of Employment*

Preparations should be made for the arrival of the new entrant well in advance, for example, arrangements should be made to provide desk and equipment etc.

Most new employees tend to be concerned primarily with two matters:

- a) whether they can do the job and
- b) how they will get on with their new colleagues.

It is therefore important to introduce them to their new workplace and colleagues at the earliest opportunity. An introductory talk will be appropriate at this time and can be combined with the provision of general information and exchanging any necessary documentation. This talk should be as brief as possible, because the employee is unlikely to be receptive to detailed information at this stage, and should be conducted by someone who is well prepared and has sufficient time available. Managers/supervisors should refer to the Induction Checklist and use it as a basis for discussion thus ensuring all documentation is complete.

A tour of the workplace should be arranged for the new entrant allowing the Company / Division to be viewed as a whole and the recruit to see where he/she fits into the organisation.

The new entrant will want to get to know his/her colleagues and quickly become part of the team and time should be made for this process. Colleagues should be briefed on the new entrant's arrival. If possible one of the new entrant's colleagues should be nominated to ensure that he/she has every assistance in settling in quickly.

8. *Induction Programmes*

Induction programmes must be geared to the individual's needs. Some of the more obvious new members of staff requiring special attention are as follows:

Graduates

Graduates tend to have a high-level knowledge but may not have the skills relevant to the job. They will want to feel that they are making a contribution from early on and to understand the organisation of the Company and their role within it. Also, they will want to have a clear picture of future career prospects and to gain broad experience with this in mind. The Trust should provide the graduate recruit with an adviser - such as a senior manager - who can organise the necessary breadth of experience and offer advice and support in relation to career progression.

Managers

Whilst many of the points in the checklist apply equally to all new managerial staff, in most cases individual induction programmes will be necessary. These should be drawn up in consultation with new managers, taking into account their backgrounds and

experience and the nature of their new roles. Priority should be given to helping new managers establish and maintain relationships with management colleagues and opportunities should be provided for them to spend time in other relevant departments to facilitate this process. This will help managers quickly to gain an understanding of the Company's philosophies, strategic plans and business plans.

Ethnic Minorities

In some cases, it may be necessary to design induction programmes with the special needs of ethnic minorities in mind. Language problems and attitudes amongst existing staff may be areas requiring particular attention. This is preparation that should be completed before any member of staff joins the Company. The Company will not tolerate racist or prejudiced behaviour in any form.

Long-term Unemployed

Previously long-term unemployed people who have been recruited may have been absent from the working environment for some time so it will be helpful to recap on some of the issues relating to school leavers. These should, of course, be adapted to suit older workers, who may need to build up confidence and the induction process can be used to update knowledge of basic office technology (photocopiers, fax machines, telephone systems, etc. as well as computers).

Other Groups

Other groups that may need particular consideration include disabled employees and women returning to work after having raised a family.

These groups will also require the induction procedure as women returning to work may, like the long-term unemployed, be out of touch and lacking in confidence. Disabled employees may have all or a combination of induction needs, but these needs may be compounded by their disabilities. Part of the induction process for disabled employees will involve checking such things as wheelchair access to parts of the workplace, toilets and lifts etc. The necessary reasonable adjustments to the workplace required to accommodate the disabled individual should be completed prior to them commencing, and carried out in discussion with the individual or their adviser.

9. Completing the Induction Process

Induction can be said to end when the individual becomes fully integrated into the organisation. Of course, there is no set timescale within which this will happen and follow up is essential. Giving new employees the opportunity to ask questions several weeks into employment can be useful, and the induction checklist will provide this opportunity. In some areas, such as understanding wider aspects of the organisation, follow up after a number of months may be appropriate.

OPTIMA MINES & MINERALS

10. Induction Programme for New Staff

DEPARTMENT

NAME OF EMPLOYEE

JOB TITLE

DATE COMMENCED

This is a checklist of information for Induction which managers / supervisors should use with new staff as part of their induction programme within the first few days, and certainly within the first two weeks of employment. Health and Safety items should be identified immediately. The new employee should be asked to tick each subject as he/she has been informed about it, and sign the end of the form. The manager / supervisor then sends the form to the Personnel Department / Head Office for inclusion in the employee's personnel file.

Not all the following subjects are applicable to all departments. Should this be the case, record N/A.

Please read the guidance notes below before completing this form.

GUIDANCE NOTES

Certain groups of staff have specific induction needs. The main groups are detailed below, with particular points to take account of, highlighted.

Items Specific to the Following Groups of Staff:

2.8.3.1.1. Staff with Disabilities

Disabilities include for example physical handicap, deafness, blindness, mental handicap. Consider the following for discussion:

1. Confirm the nature of the disability.
2. Clarify if the employee has any special needs relating to disability.
3. Check whether employee has any particular concerns regarding the workplace.

2.8.3.1.2. Graduates and College

These staff may have no previous work experience and will need careful integration into the department. Discuss the following:

1. Role within the department.
2. Reporting responsibilities.
3. Allocation and prioritisation of work.

2.8.3.1.3. Staff Returning to Work after a Period of Absence

This includes staff who were previously unemployed, women returning after starting a family, or after any other prolonged period of non-employment. Discussion should include, for example:

1. The difference between the employee's previous working environment and this new one.
2. Changes in skills required for this area of work.
3. Requirement for training to update skills.

2.8.3.1.4. Managers and Professional Staff

These staff need a broader induction to put their post in context.

1. Structure and culture of department.
2. Role in relation to Department / Company as appropriate.
3. Training course in supervisory and management skills, if required.

ITEMS TO COVER WITH EACH NEW EMPLOYEE

2.8.3.1.5. <i>The Department</i>	2.8.3.1.6. <i>Compl</i>
1. Department function	
2. Introduction to colleagues	
3. New entrant's own job	
4. Supervision	
5. General layout - entrances and exits	
6. Telephone system, bleeps and intercom systems	
2.8.3.1.7. <i>Conditions of Employment</i>	2.8.3.1.8.
1. Information on hours of work, including duty rotas, shift systems "on-call" breaks	
2. Time recording, flexi-time	

3. Bonus scheme, allowances	
4. Probationary periods of employment	
5. Company Pension scheme and eligibility	
6. Reporting in when sick including when on leave	
7. Arrangements for requesting leave: annual leave, unpaid leave, compassionate leave	
8. Issue of uniforms, and uniform policy, protective clothing, replacement, laundry arrangements	
Health and Safety, Security, Fire	2.8.4.
1. Health and safety information relevant to the department	
2. Issuing of fire instructions and procedure	
3. Location of fire-fighting equipment	
4. Accident reporting	
5. First aid facilities/pre-employment health screening/role of Occupational Health / Company Doctor	
6. Loss of personal effects	
7. Security of department/building	
8. Arrangement for keys, passes, ID Badges etc.	
9. Violence and aggressive behaviour	
10. Management of monies/valuables	
11. Major Incident procedures	
Conduct	
1. Personal presentation	
2. Disciplinary procedures	
3. Courtesy to the customer and the public	
4. Confidentiality	
5. Noise Control	
6. Acceptance of gifts	
7. Statements to the Press	
8. Local rules regarding smoking	
9. Private use of telephones	
10. Standards of Business Conduct	

Facilities	
1. Cloakroom, lockers, lavatories	
2. Canteen	
Education, Training, Promotion	
1. Study leave	
2. Means of advancement, promotion opportunities	
3. Employee appraisal, review systems	
Employee Involvement and Communication	
1. Employee or Trade Union representative	
2. Communication arrangements	
3. Information sources, e.g. notice boards, circulars etc.	
4. Food and Health Policy	
5. Handling Complaints	
Items Specific to Department	
1. Pay	
2. Notice of termination of employment	
3. Sick certificates	
4. Waste disposal	
5. Control of infection	
6. Lifting and handling	

OTHER RELEVANT ISSUES SPECIFIC TO DEPARTMENT

I have been informed about and understand the above items.

Signature: Date:

I confirm that the above Induction Programme has been completed for the above member of staff.

Signature of Head of Department/
Designated Officer: Date:

3. Standards of Business Conduct

2.9. 1. Introduction

1.1 Optima mines and minerals expects its staff (including temporary, agency, interim, contractor or consultant staff) to be scrupulously impartial and honest in all affairs relating to the Company and their job within it. All staff also bear a responsibility as employees to act as ambassadors for the Company in terms of their general conduct both within and outside the organisation. This policy outlines the responsibilities of staff working for the Company.

1.2 The duties of an employee are embodied in Common Law and built on by Statute e.g. the Equality Act, The Health and Safety at work Act, The Prevention of Corruption Acts etc.

1.3 Under Common Law the duties of an employee are as follows:

- to be ready and willing to work;
- to offer their services personally: for example, must not subcontract the work for which they are employed;
- to take reasonable care in the exercise of that service, including the duty to be competent at work and to take care of the Company's property;
- to not wilfully disrupt the Company's business;
- to obey reasonable orders as to the time, place, nature and method of service;
- to work only for the Company in the Company's time;
- to disclose information to the Company relevant to the Company's business: for example, that they might know or discover;
- to hold solely for the Company, the benefit of any invention relevant to the business on which the Company is engaged;
- to respect the Company's trade secrets;
- in general, to be of good faith and do nothing to destroy the trust and confidence necessary for employment;
- to account for all benefits – monetary or in kind - received in the course of employment;
- to indemnify the employer for loss caused by the employee.

1.4 Uganda Statute places further responsibilities on individual employees in regards to their own behaviour and their behaviour towards other employees.

You should not, directly or indirectly, engage in, or have any interest, financial or otherwise, in any other business enterprise which interferes or is likely to interfere with your independent exercise of judgement in Optima's best interest.

2.10. 2. Standard of Conduct Required by the Company

Gifts and Hospitality

2.1 In addition to the duties placed on employees by Civil and Statute Law. The Company requires its employees to ensure that gifts and hospitality offered by suppliers and potential suppliers of goods and services to the Company are declined. This applies, whether the gifts or hospitality are offered within, or outside normal working hours. The only exceptions to this are trivial gifts with a nominal value of less than 100,000 UGX such as a calendar, diary, chocolates or mugs can be accepted. All other gifts must be politely refused or, if received through the post, returned to the donor with a suitably worded letter signed by the Department Manager.

Transaction of Private Business

2.2 Employees having official dealings with contractors and other suppliers of goods or services must avoid transacting any kind of private business with them by any means other than the Company's normal commercial channels. No favour or preferences as regards price, or otherwise, which is not generally available, should be sought or accepted.

Visits to Conferences, Demonstrations etc.

2.3 The Company intends that when it is necessary for employees to visit conferences, demonstrations and similar occasions, it should bear the travelling and subsistence expenses itself. Exceptions to this general rule will only be permitted with the approval of the Chief Executive.

Attendance at Luncheons, Receptions etc.

2.4 Where it is evident that the work of the Company will be facilitated, invitations to attend receptions, luncheons may be accepted under the following rules:

- no employee may accept an invitation without first obtaining the approval of the Department Manager;
- in exceptional circumstances, where it is not possible to seek prior approval, the facts should be reported immediately afterwards;
- if addressed personally, such an invitation may not be transferred to another employee, except with the consent and approval of a senior manager as above and with the concurrence of the party issuing the invitation;
- invitations involving attendance outside normal working hours may be accepted only on the authority of the Departmental Manager;
- as a general rule, any officer who has any doubts about the wisdom of accepting any hospitality should decline the offer.

NB The important difference between, for example, attendance in an official capacity at a function organised by the Company or one of its subsidiaries and the acceptance of hospitality from a private individual or firm should be recognised.

2.5 Nothing more than a small, low value item such as a calendar, diary, blotter, chocolates or flowers can be accepted. All other gifts must be politely refused or, if received through the post, returned to the donor with a suitably worded letter signed by the Department Manager.

Identification

2.6 Employees should wear or carry their identity badges whilst carrying out their duties.

Confidentiality

2.7 At all times confidentiality must be maintained. No information can be released to unauthorised persons or organisations. The Chief Executive or other Senior Managers of the Company will inform employees of those authorised to receive information.

2.8 If doubt exists as to the validity of an organisation or individuals to receive information, this must be checked with a Senior Manager.

Personal Relationships

2.9 If a personal relationship between two employees develops within the working environment, the onus is on the senior employee concerned to bring this to the attention of his or her manager to confirm that there is no conflict of interest, nor will a conflict of interest arise. The Company reserves the right to move one of the employees concerned if it deems it necessary to do so.

Outside Interests and Employment

2.10 Outside interests include directorships, ownership, part ownership or material shareholdings in companies, business or consultancies likely to seek to do business with the Optima. These should be declared to the individual's line manager as should the interests of a spouse / partner or close relative.

Political and civic activities

2.11 It is not the intention of Optima, or this policy, to dissuade employees from participating actively in public duties. It is important, however, that by doing so there is no suggestion to a third party that the employee is acting on behalf of, or with the support of Optima. To avoid any misunderstanding, no Company employee should permit his or her company affiliation to be noted in any outside organisation's materials or activities without the express written approval of a member of senior management.

Bribery and Corruption

2.12 The Company has a strict anti-bribery and corruption policy in line with the Bribery Act. A bribe is defined as: giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.

If you bribe (or attempt to bribe) another person, intending either to obtain or retain business for the company, or to obtain or retain an advantage in the conduct of the company's business this will be considered gross misconduct. Similarly accepting or allowing another person to accept a bribe will be considered gross misconduct. In these circumstances you will be subject to formal investigation under the Company's disciplinary procedures, and disciplinary action up to and including dismissal may be applied.

General Conduct

2.13 Employees should at all times conduct themselves in such a way as to enhance the reputation of the Company.

Optima will support employees who become aware of and are willing to report breaches of this policy or who genuinely believe that a breach is occurring, has occurred or is likely

to occur within the business. Employees should raise the issue internally with their manager or supervisor or in accordance with the Company's Policy on Disclosing Information ("Whistleblowing").

These standards of conduct are intended to underpin and clarify standards required by the Company of its employees and form a fundamental part of the employment contract. Staff who fail to comply with the guidance detailed in this Policy could be subject, following full investigation, to disciplinary action up to and including dismissal. If through their actions or omissions staff are found to be in contravention of either this Policy or, indeed, their legal responsibilities then the Company reserves the right to take legal action if it deems it to be necessary to do so.

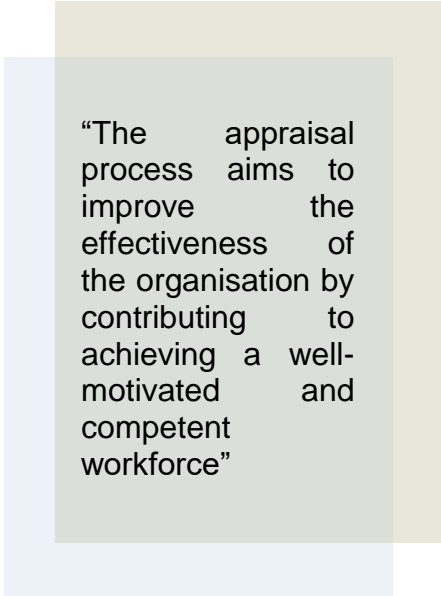
SECTION 2 – MANAGING EMPLOYEE PERFORMANCE: *SETTING OBJECTIVES, ASSESSING AND MANAGING EMPLOYEE PERFORMANCE INCLUDING ABSENCES, MISCONDUCT AND CAPABILITY ISSUES*

5. Performance Appraisal Policy

2.11. 1. *Appraisal Policy*

Optima Mines & Minerals is committed to supporting every employee to reach their potential and achieve their personal goals, which in turn will assist the organisation to achieve its objectives.

The performance appraisal policy supports the performance appraisal scheme. The scheme is a formal process centred on an annual meeting of each employee and their line manager to discuss his/her work. The purpose of the meeting is to review the previous year's achievements and to set objectives for the following year. These should align individual employees' goals and objectives with organisational goals and objectives.



“The appraisal process aims to improve the effectiveness of the organisation by contributing to achieving a well-motivated and competent workforce”

2.12. 2. *Core Principles of the Appraisal Policy*

1. The appraisal process aims to improve the effectiveness of the organisation by contributing to achieving a well-motivated and competent workforce.
2. Appraisal is an ongoing process with an annual formal meeting to review progress.
3. The appraisal discussion is a two-way communication exercise to ensure that both the needs of the individual, and of the organisation are being met, and will be met in the next year.
4. The appraisal discussion will review the previous year's achievement, and will set an agreed Personal Development Plan for the coming year for each member of staff.
5. All directly employed employees who have completed their probationary period are required to participate in the appraisal process.
6. The appraisal process will be used to identify the individual's development needs and support the objectives of the Training and Development Policy.
7. All staff will receive appraisal training as an appraisee, and where appropriate as an appraiser.
8. The appraisal process will provide management with valuable data to assist succession planning.

9. The appraisal process will be a fair and equitable process in line with our Equality Policy.

2.13. 3. Performance Appraisal Implementation

Performance appraisal discussions will be held over a designated 4-week period on an annual basis. They will be arranged by the appraisee's line manager. Line managers are encouraged to provide the opportunity for an additional 6-month verbal appraisal review, mid-year and other informal reviews as necessary throughout the year.

The discussion will be held in private. Information shared during the appraisal will be shared only with senior management. The exception is training needs, that will be provided to the HR / administration for action. Confidentiality of appraisal will be respected.

The appraiser (usually the employee's line manager) will be expected to have successfully completed appraiser training, and to be familiar with the appraisee's work.

All appraisal documents should be issued to both parties prior to the discussion, in order to allow time for both parties to reflect and prepare. These will provide a framework and focus for the discussion.

A time and venue for the discussion will be advised at least one week before the meeting takes place.

4. The Appraisal Discussion

The appraisal discussion will allow an opportunity for both the appraisee, and the appraiser to reflect and comment on the previous year's achievements. It will praise achievement and encourage the appraisee in his/her role.

The appraiser is accountable for giving the employee constructive, timely and honest appraisals of their performance, which should take into account both the goals of the organisation and of the individual.

The discussion should be a positive dialogue, and will focus on assisting the appraisee to acquire the relevant knowledge, skills and competencies to perform his/her current role to the best of his/her abilities.

The appropriate forms will be completed and signed by both parties. The appraisee will be given the opportunity to note any comments that he/she does not agree with and complete a self-assessment.

The appraisee and line manager should agree on a Personal Development plan for the appraisee for the following year. This will reflect the appraisee's aspirations and the organisation's requirements, and should align personal and organisational goals. The organisation and the line manager will support the individual to achieve these goals during the forthcoming year.

Any training needs, future training requirements, planned qualifications, development opportunities and career planning should be discussed in the light of the Personal Development Plan.

5. Training and Monitoring

Senior Management are responsible for the appraisal process, and he/she shall ensure that appraisers and appraisees are adequately equipped and trained to undertake the performance appraisal.

6. Performance Appraisal & Personal Development Plan Pro Forma

Name:	Job Title:
Appraiser	Job Title:
Reviewer	Job Title:

REVIEW OF LAST YEARS OBJECTIVES

Outline:

- those of last year's objectives which were achieved successfully
- those which were partly achieved or did not meet timescales and why
- those which were not achieved and why

REVIEW OF LAST YEARS PERSONAL PERFORMANCE

Focus on recording examples of

- situations where the individual performed well / not so well – what lessons can be learned?
- where they have come across obstacles in the job situation or in their own skills that have prevented them from working effectively – if so what were they and how can they be overcome?
- where their effort was appropriately / inappropriately focused

OVERALL PERFORMANCE RATING

Superior

Fully Acceptable

Incomplete

Unsatisfactory

Reason for rating:

PERSONAL DEVELOPMENT PLAN

What key skills and competencies are required to allow the individual to meet their job objectives this year and what is their current level of ability / confidence with each of these.

Based on the above, what specific training or development activities would enhance their ability to meet their objectives? (Consider not just training courses, but also activities such as mentoring, shadowing etc.)

APPRAISERS COMMENTS

SIGNED: _____ DATE: _____

APPRAISEES COMMENTS

SIGNED: _____ DATE: _____

REVIEWERS COMMENTS

SIGNED: _____ DATE: _____

6. Controlling Absence Policy

2.14. 1. Policy

It is recognised by the Company that from time to time staff may require to be absent from their place of work due to illness. The length of time lost by employees through illness must however be monitored to ensure that each member of staff is able to do their job, effectively and without putting themselves or others at risk. It is not the intention of the Company to penalise the genuinely sick, however it must be recognised that an employee who is medically unfit to carry out his/her contractual duties may not be able to continue in that employment.

Managers will consider cases of sickness absence on an individual basis and ensure the provision of appropriate support, advice and Occupational Health / Company Approved Doctor input where appropriate. However, it is recognised that in some cases, patterns/levels of absence will be unacceptable and formal management action will be required.

“Optima values good attendance at work and is committed to improving the general wellbeing of its employees to achieve this. Although we aim to secure regular attendance, we do not expect employees to attend when they are unwell.”

Employees who become aware that they have an illness problem are encouraged to inform their manager at the earliest opportunity. All such requests will be dealt with as speedily and compassionately as possible.

2.15. 2. Overview of Procedural Stages

On return from absence all employees must be interviewed by their immediate line manager. At this interview the employee and the line manager must complete a 'Return to work interview' form agreeing the reason for the absence, the period of absence and, where appropriate, what course of action is required as a result of the absence. This form must be signed by both parties before being forwarded to the employee's personnel file

Stage 1

In situations where an employee's sickness record is giving some cause for concern, then the employee's Line Manager will discuss those concerns with the employee, providing support and counselling where appropriate. It is essential that any message conveyed in this manner is clear and unambiguous.

Stage 2

If there is no obvious improvement in the health of the employee or any sign of patterns emerging in an employee's absence, then the line manager would arrange for the employee to meet the next-in-line manager who would 'formally' review the employee's case. At this formal stage the employee must be offered the opportunity for appropriate representation by a work colleague or trade union official.

The employee must be given the outcome of this meeting in writing and where appropriate they must be given notice that their level of absence is unacceptable and a period of time to improve.

Stage 3

If the employee fails to improve in the given time scale, then a formal second Review must be undertaken. If possible, a more senior manager should chair this meeting. The employee must be offered the opportunity for appropriate representation at this time.

Prior to the Meeting the employee must be seen by the Occupational Health / Company Approved Doctor who will give his opinion on the employee's health. The employee must be given the results of this meeting in writing. Where appropriate they must be given notice that their level of absence is unacceptable and that they are given a period of time during which to reduce their level of absence. The employee must also be informed at this stage if any further absences may result in their employment being terminated due to incapacity.

Stage 4

If there is still no improvement within the laid down time scale a Review will be held with the appropriate Senior Manager / Director in the chair. The employee must be offered the opportunity for appropriate representation at this meeting. The Director / Manager will review all the available evidence including the Doctor's report.

If there are no special circumstances the employee will be dismissed on the grounds of incapacity and their inability to meet the acceptable standards of attendance required by the Company.

4. Appeals

Every employee has the right to appeal against the outcome of any formal review stage of the absence procedure. The basis of an appeal should normally relate to one of the following areas:

- (i) that the Policy had not been followed correctly.
- (ii) that the resulting action was inappropriate.
- (iii) that the need for action was not warranted.

Appeals against the formal stages of the Absence Procedure

An appeal should be put in writing to the appropriate Director / Senior Manager. The letter of appeal may be constructed by the employee or their representative. The letter should contain the grounds for appeal and should be lodged within 7 days of receipt of the issue of a formal letter. An appeal hearing should be arranged within 7 days of receipt of the appeal letter. An appeal against Dismissal will be considered in the same way, but should be heard by a Director / senior manager who has not previously been involved in the case.

5. *Procedures Check List*

Stage 1

Return to Work Interview

This is an informal part of the Procedure, however in order to give the process credibility the following rules should be followed: -

- Every employee should complete a 'Return to work interview' form with their immediate line manager.
- Interviews should be carried out in an area where there will be no interruptions and where both parties may feel at ease.
- The employee should always be informed of the reason for the meeting.
- The meeting should be prefaced by an indication of concern for the employee as well as the need for the Manager to be aware of the health of his/her employees.
- The employee should be encouraged to discuss any problems they may be having with their health and to actively contribute to the solution to the problem.
- Any apparent problem or patterns of absence should be brought to the employee's attention.
- All relevant absence documentation **must** be recorded on the employee's personnel file.

Counselling

As the first step in procedure it is vital that the message conveyed is clear and unambiguous.

Prior to counselling, full details of the employee's absence record along with reasons should be made available to both participants.

The employee should be made aware of the date and location of the Meeting and the reasons for it.

The employee should be given the opportunity to explain absence records and present any evidence required.

If there are medical problems, it may be necessary to adjourn the Meeting for medical advice.

The Manager/Supervisor will advise the employee of the outcome of the meeting and where appropriate of the need for improvement of their current absence level. Written confirmation of the outcome of the meeting will be given to the employee and a copy recorded on their personnel files.

Stage 2

- Prior to calling a hearing, full details of absence record along with reasons should be made available to all participants.
- The employee should be made aware of the date and location of the Review and the reasons for it.
- In addition, they should be informed of the right to be represented at the Review.
- The employee should be given the opportunity to explain absence records and present any evidence required.
- If there are medical problems, it may be necessary to adjourn the Meeting for medical advice.
- The Manager should set out clearly the improvements expected and the time scale over which these improvements must be achieved.
- The employee should be informed in writing of the requirements and the time scale and advised if the warning is to be recorded on his record.
- Any warning letter should be copied to the Trade Union Representative if present at the hearing. The employee must be informed of their right to appeal against this decision.
- Any warnings issued will remain on the record for 12 months.

Stage 3

- If there has been no improvement in the absence record in the period set at the first Review or there has been a further breach of policy during the lifetime of a written warning, then the employee must be informed and asked to attend a Second Review. In addition, they should be informed of the right to be represented at the Review.
- Medical reports must be sought prior to the date of the Meeting and results made available to both parties.
- The employee should be given the right to present any evidence in mitigation.
- The employee should be informed of the need to improve their record and the possibility of dismissal if they do not do so. The employee must be informed of their right to appeal against this decision. (see Appeals). This should be confirmed in writing to the employee and held on their personnel file for 18 months.

Stage 4

- The employee must be given full details of the case and the possible consequences prior to attendance. The employee must also be informed of their right to representation at this meeting.
- All medical evidence should be taken and considered before a final decision is taken.
- If the decision is taken to dismiss the employee, then this should be done by giving full entitlement to notice (even if sick pay is exhausted).

- The employee must be informed of their right to appeal against this decision. (see appeals).

6. Return to Work Interview Form

Name
Designation
Department
First Day of Absence
Last Day of Absence
Total number of days absent
Total number of days off work
Is absence due to an injury at work? YES/ NO
Have you seen a doctor ? YES/ NO
Reason for absence(Please give a brief description of the illness or other reason for absence)
Action Taken (please give a brief description of any action taken to date)
Proposed Course of Action
I understand that if I knowingly provide inaccurate or false information regarding my absence it may result in disciplinary action

Employees Signature

Managers Signature

7. Disciplinary Procedure

1. Scope

The Company Disciplinary Procedure will be used only when necessary and as a last resort. Where possible, informal and/or formal counselling or other good management practice will be used to resolve matters prior to any disciplinary action being taken. The procedure is intended to be positive rather than punitive but takes cognisance of the fact that sanctions may have to be applied in some circumstances.

An employee can discuss any part of this policy with their Union Representative or their Line Manager. They can help clarify an employee's rights as well as give guidance and support where it may be needed. Every individual has the right to representation at any point during the disciplinary process.

“The procedure is intended to be positive rather than punitive but takes cognisance of the fact that sanctions may have to be applied in some circumstances.”

2. Suspension

Suspension is not disciplinary action. The purpose of suspension is manifold and can be used when it is necessary to remove a member of staff from the workplace pending an investigation for example, to allow time for a 'cooling down period' for both parties, for their own or others protection, to prevent them influencing or being influenced by others or to prevent possible interference with evidence. Only the Manager in charge of that individual, at that time or their superior, have the authority to suspend an individual.

An employee suspended from duty will receive written confirmation within three days of:

- the reason for the suspension
- the date and time from which the suspension will operate.
- the timescale of the ongoing investigation.
- the right of appeal to the immediate manager of the suspending manager should the suspension last more than 7 days

3. Counselling

Counselling is an attempt to correct a situation and prevent it from getting worse without having to use the disciplinary procedure. Where improvement is required, the employee must be given clear guidelines as to:

- what is expected in terms of improving shortcomings in conduct or performance
- the time scales for improvement
- when this will be reviewed
- the employee must also be told, where appropriate, that failure to improve may result in formal disciplinary action.

A record of the counselling should be given to the employee and a copy retained in their personnel file. It is imperative that any counselling should be followed up and improvements recognised and recorded. Once the counselling objectives have been met, any record of the counselling will be removed from the employees file.

If during counselling it becomes clear that the matter is more serious, then the discussion should be adjourned, and pursued under the formal disciplinary procedure.

4. Procedure for Formal Investigation

1. Formal investigations should be carried out by the most appropriate manager who is not directly involved with the incident being investigated. This manager may involve others to assist with the investigation process. All the relevant facts should be gathered promptly as soon as is practicable after the incident. Statements should be taken from witnesses at the earliest opportunity. Any physical evidence should be preserved and/or photographed if reasonable to do so.
2. A report should be prepared which outlines the facts of the case. This should be submitted to the appropriate senior manager / Director who will decide whether further action is required. Where appropriate, this report may be made available to the individual and their representative.
3. In most circumstances where misconduct or serious misconduct is suspected, it will be appropriate to set up an investigatory hearing. This would be chaired by the appropriate Senior Manager / Director, who would be accompanied by another manager. The investigating manager would be asked to present his/her findings in the presence of the employee who has been investigated. Witnesses should be called at this stage, and the employee (or their representative) allowed to question these witnesses. The employee has a right of representation at this hearing.
4. Following the full presentation of the facts, and the opportunity afforded to the employee to state his side of the case, the hearing should be adjourned, and everyone would leave the room except the senior manager / Director hearing the case, and the other manager. They would discuss the case and decide which of the following option was appropriate:
 - take no further action against the employee
 - recommend counselling for the employee
 - proceed to a disciplinary hearing
5. All parties should be brought back, and informed as to which option has been chosen. Should the decision be taken to proceed to a disciplinary hearing, then this may follow on immediately from the investigatory hearing if the following criteria have been met:
 - the employee has been informed by letter that the investigation may turn into a disciplinary hearing, and that he has the right of representation
 - he has been told in advance what the nature of the complaint is, and had time to consult with a representative
 - all the facts have been produced at the investigatory hearing, and the manager / Director is in a position to decide on disciplinary action.

- the manager should inform the employee and their representative that the hearing would now become a formal disciplinary hearing, and invite them to say anything further in relation to the case.
6. It may be appropriate at this point to adjourn proceedings, whilst necessary arrangements are made for a representative to attend the hearing at the request of the employee.
 7. Should anyone who is subject to disciplinary action resign during the course of it, the action will cease unless there are extenuating circumstances which require it's continuance. The subject of the discipline may also request that the disciplinary action continue.

5. Warnings

Examples of Minor Misconduct

Below are listed examples of misconduct which may warrant either a Verbal Warning or a First Written Warning. It is stressed however that this list is not exhaustive and that on all occasions a full and proper investigation must take place prior to the issue of a warning.

- Persistent lateness and poor time-keeping.
- Absence from work, including going absent during work, without valid reason, notification or authorisation.
- Smoking within unauthorised areas.
- Failure to work in accordance with prescribed procedures.
- Incompetence.
- Unreasonable standards of dress or personal hygiene.
- Failure to observe Company regulations and procedures.

Verbal Warning

A Verbal Warning is appropriate when it is necessary for the manager in charge to take action against an employee for any minor failing or minor misconduct.

First Written Warning

A First Written Warning is appropriate when:

- a verbal warning has not been heeded and the misconduct is either repeated or performance has not improved as previously agreed.
- an offence is of a more serious nature for which a written warning is more appropriate.
- the recurrence or accumulation of an offence/offences, if left, will lead to more severe disciplinary action.

Examples of Gross – Misconduct

Listed below are examples of misconduct which may be considered to be Gross Misconduct and may warrant a Final Warning, Demotion or Dismissal. It is stressed however that this list is not

exhaustive and that on all occasions a full and proper investigation must take place prior to the issuing of a Final Warning, Demotion or Dismissal.

- Theft, including unauthorised possession of Company property.
- Breaches of confidentiality, prejudicial to the interest of the Company,
- Being unfit for duty because of the misuse/consumption of drugs or alcohol.
- Refusal to carry out a management instruction which is within the individual's capabilities and which would be seen to be in the interests of the Company.
- Breach of confidentiality / security procedures.
- Physical assault, breach of the peace or verbal abuse.
- False declaration of qualifications or professional registration.
- Failure to observe Company rules, regulations or procedures.
- Wilful damage of property at work.
- Incompetence or failure to apply sound professional judgement.

Final Written Warning

A Final Written Warning is appropriate when:

- an employee's offence is of a serious nature falling just short of one justifying dismissal.
- an employee persists in the misconduct which previously warranted a lesser warning.

Downgrading or Transfer to another Post

This action is appropriate when:

- previous attempts, via the disciplinary procedure, to rectify a problem have failed and this is a final attempt to solve a problem without having to dismiss an employee.
- an employee is considered by the Manager of the department to be incompetent or otherwise unfit to fulfil the duties for which he is employed but where dismissal is not thought to be appropriate.

Dismissal

Dismissal is appropriate when

- an employee's behaviour is considered to be Gross Misconduct.
- an employee's misconduct has persisted, exhausting all other lines of disciplinary procedure.

Time Scales for the expiry of Warnings

Warnings issued to employees shall be deemed to have expired after the following periods of time.

- Verbal Warnings: 6 months
- First Written Warnings: 12 months
- Final Written Warnings: 18 months (or as agreed and recorded at the hearing)

These time scales remain provided that during that period, no further warnings have been issued in respect of the employee's conduct.

6. Letter of Warning

All Warnings must contain the following information

- The letter must be issued within 7 days of the date of the disciplinary hearing.
- The nature of the offence and where appropriate, that if further misconduct occurs, more severe disciplinary action will be taken.
- The period of time given to the employee for improvement.
- The employees right to appeal to the manager directly above that of the one issuing the warning.
- A copy of the warning and any supporting documentation must be attached to the individual's personnel file.
- The employee must also receive a copy of the warning which in the case of any written warning will be sent to their home address by recorded delivery if not handed to them in person.
- In the case of a final written warning, reference must be made to the fact that any further misconduct will lead to dismissal, and that the employee has the right of appeal, and to who they can make that appeal.

The letter confirming dismissal will contain the following information:

- The reason for dismissal and any administrative matter arising from the termination of their employment.
- The employees right of appeal and to whom they should make that appeal

7. Appeals

Every employee has the right to appeal against the outcome of a disciplinary hearing. The basis of an appeal should normally relate to one of the following areas:

- that the Company's' Procedure had not been followed correctly.
- that the resulting disciplinary action was inappropriate.
- that the need for disciplinary action was not warranted.
- that new information regarding disciplinary action has arisen

An appeal should be put in writing to the HR Department / Head Office. The letter of appeal may be constructed by the employee or their representative. The letter should contain the grounds for appeal and should be lodged within 10 days of receipt of the warning / dismissal letter.

An appeal will be arranged within 20 working days of receipt of the appeal letter.

Appeals against Verbal and First Warnings

In the case of verbal and first warnings, the appeal will be heard by the manager next in line to the one who issued the warning.

Appeals against Downgrading, Final Warnings and Dismissal

The hearing and determining of appeals against final warnings and dismissal will be heard by the appropriate Director or Chief Executive. They may also involve another senior manager / Director not previously involved with the case.

When dealing with an appeal against a Final Warning or Dismissal written statements of case may be submitted no later than 2 days prior to the date of Appeal Hearing. No additional written evidence will be admitted by the Appeal Committee on the date of the Hearing.

Witnesses may be required by either party at an appeal hearing, dependent upon the circumstances and nature of the case. However, there is no specific obligation on either party to produce a witness. Either party must give 5 days' prior notice that they intend to call specific persons involved or associated with the case under consideration.

It is the responsibility of the management representative and for the appellant to each arrange for the availability and attendance of any witness they wish to call.

8. Capability Procedure

2.16. 1. Introduction

Optima places great importance on maintaining levels of performance at an acceptable standard and the capability procedure provides a fair and objective process to enable managers to ensure that those standards are met in every aspect of the company's operations.

Definition

For the purpose of this Capability Procedure, capability is defined as:

"Where a member of staff is failing in a significant or persistent way to carry out their responsibilities or duties in a satisfactory manner, either due to a lack of ability, inadequate training or lack of experience. Such failings will be identified by use of the following procedures and steps taken to improve performance. Where such steps prove unsuccessful the member of staff may have their employment terminated on the grounds of incapacity".

"Optima places great importance on maintaining levels of performance at an acceptable standard and the capability procedure provides a fair and objective process to enable managers to ensure that those standards are met."

The procedures set out in this document aim to ensure that there is:

1. A means of monitoring performance and establishing performance criteria.
2. A degree of consistency in how staff with widely differing responsibilities and duties are given opportunities to attain satisfactory levels of performance.
3. Assistance in identifying the most appropriate form(s) of support and providing that support.
4. If a member of staff fails to overcome their difficulties, any consequent action will be based on:
 - Adequate evidence that the member of staff is incapable of performing their duties satisfactorily.
 - A fair procedure.
 - The fact that the member of staff was given all reasonable assistance to overcome such failings.

2.17. 2. Procedure

Stage 1 - Informal Procedure:

Where an employee of the Company exhibits an inability to perform their duties satisfactorily, the Company will attempt to resolve the matter informally via a meeting between the Line Manager and the member of staff. The nature and date of the meeting will be recorded and a letter sent to the member of staff indicating the nature of their unsatisfactory performance and how such performance can be improved to the satisfaction of the Line Manager. The member of

staff should be informed that they may be accompanied at any meetings by a trade union representative or work colleague.

At this meeting, the line manager will agree performance standards with the member of staff, and a time period (normally three months) over which improvement will be expected. They will also agree how the individual's performance will be monitored.

If the individual's performance improves adequately over the timescale, then the process will terminate at this stage. If performance remains unsatisfactory, then the formal procedure will be invoked by the Line Manager as set out in stage 2.

Stage 2 - Formal Procedure - Information Collection:

The Senior Manager / Director of the Line Manager concerned may call on the support of an external advisor or another member of the Management Team, to undertake collecting the necessary information. They would be expected to interview the member of staff concerned and the Line Manager, as well as any other appropriate individuals. The member of staff should be informed that they may be accompanied at any meetings by a trade union representative or work colleague.

A written report based on evidence gained e.g. by interviews and observation of performance will be prepared by the advisor / Manager. The report should be precise and specific in the observations and comments it makes and shall contain clear information on:

1. areas where the member of staff is failing to perform adequately
2. actions already taken by management to address these failings and whether these actions were adequate - i.e. were clear performance standards set and monitored
3. whether the member of staff acknowledges a problem and shows a willingness to improve
4. the impact of the individual's failings on colleagues and work output
5. any other mitigating factors

The report should be given to the member of staff concerned and to the Line Manager. Both may record in writing any comments on the observations contained within the report.

The Senior Manager / Director will consider the report, and may opt to take one of the following options:

- no further action
- instruct the line manager to set reasonable performance standards for the individual and monitor these for a set period of time. (*This option should be chosen if this has not previously been carried out adequately and at least three months given to improve*)
- convene a formal capability hearing to consider the matter further

Stage 3 - Capability Hearing

The Senior Manager / Director will write to the member of staff informing them of the date of the hearing, attaching any relevant documentation. The letter shall contain:

- The performance deficits in sufficient detail to ensure that the member of staff fully comprehends their nature, extent and seriousness.
- The time, date and venue of the interview.

- The person who will conduct the interview, usually the Senior Manager / Director
- A statement that all employees have the right to be accompanied by a trade union representative or work colleague at any interview or hearing held under the provision of these procedures.
- At least 10 days' notice of the hearing.

At the hearing, the member of staff will be given the opportunity to put forward a defence, to bring witnesses in support of their defence, to present mitigating circumstances and to make a full statement. A written copy of the procedure to be adhered to during the hearing should be made available to the member of staff before the hearing takes place.

If the allegation is found to be justified, then a decision on the action to be taken must be made. Depending on the nature, frequency and seriousness of the allegation(s) it is expected that at this stage a Warning will be given and this will be confirmed in writing.

A letter should be sent to the member of staff confirming the decision and the reason(s) why it was made. The letter will also indicate that the member of staff's progress will continue to be monitored and how this will be carried out. A time scale for performance to improve and a review date(s) will be specified.

If the failings are found to be not sufficiently serious to warrant a formal warning or where there are mitigating circumstances, then monitoring should be discontinued subject to a clear indication to the member of staff that it may be reintroduced if the problem(s) reappear.

Stage 4 - Second Capability Hearing:

If poor performance continues, the process set out in stage 3 should be repeated. The time scale for improvement will depend on the nature of the duties and responsibilities of the employee concerned and the seriousness of the complaint(s).

If the conclusion of the second hearing is that performance has not sufficiently improved and that there is still evidence of incapability despite support and prior warnings, a final warning should be issued.

The letter confirming the decision as well as covering the points made at Stage 3, should clearly state that if an improvement is not forthcoming, the Company will convene a final meeting at which it will consider terminating the contract of the member of staff involved on the grounds of capability.

Stage 5 - Third Capability Hearing:

The appropriate Director will conduct the third hearing at which if previous advice, training and warnings have not had the desired effect, he/she will terminate the contract of the employee concerned. The procedures outlined in Stage 3 will be followed.

2.18. 3. Appeals

An appeal against any decision to terminate the employee's contract of employment on the grounds of capability may be made in writing to the HR Department / Head Office within 14 days of the decision. The employee's appeal will be heard by the appropriate Director. Decisions made on appeal shall be final.

2.19. 4. *Long-Term/Persistent Illness*

Where any shortfall in expected performance arises from long term or persistent illness the Company shall refer to the Management of Absence policy.

SECTION 3 - DEALING WITH EMPLOYEE CONCERNS: *Hearing Grievances, dealing with Bullying & Harassment, and making provisions for “Whistleblowing”*

9. Grievance Procedure

The grievance procedure is intended as the tool by which a member of staff may formally have a grievance, regarding any condition of their employment, heard by the management of the Company. The aggrieved employee has the right to representation by a Trade Union Representative or a work colleague

In the event of a member of staff wishing to raise a grievance, it is preferable for the grievance to be satisfactorily resolved as close to the individual and their line manager as possible. It is understood however that this is not always possible and that a formal procedure is required to ensure the swift and fair resolution of matters which aggrieve the Company's employees.

Time scales have been fixed to ensure that grievances are dealt with quickly, however these may be extended if it is agreed upon by both parties.

This procedure is not intended to deal with:

1. Dismissal or disciplinary matters which are dealt with in a separate procedure.
2. Disputes, which are of a collective nature and which are dealt with in a separate procedure.

1. Stage 1

An employee who has a grievance, should raise the matter with his line manager / supervisor immediately either verbally or in writing. If the matter itself concerns the employee's immediate manager, then the grievance should be taken to their superior.

If the manager is unable to resolve the matter at that time, then a formal written grievance form should be submitted (see appendix 1). The manager should then respond within **2 working days** (i.e. the managers normal working days) to the grievance unless an extended period of time is agreed upon by both parties. The response will give a full written explanation of the managers decision and who to appeal to if still aggrieved.

2. Stage 2

In most instances the Company would expect the managers' decision to be final and for the matter to come to a close. However, in some circumstances the employee may remain aggrieved and can appeal against the decision of the manager concerned.

The appeal, to the manager next in line, must be made within ten working days of the original response to the employee's grievance. The appeal must be in writing (see appendix 2) and contain the original formal Grievance form. This manager will attempt to resolve the grievance. A formal response and full explanation will be given in writing, as will the name of the person to whom they can appeal if still aggrieved, **within 7 days**.

"The grievance procedure is intended as the tool by which a member of staff may formally have a grievance, regarding any condition of their employment, heard by management."

Where the 'next in line' manager at this stage is the Director with responsibility for the employee's function, then the grievance should immediately progress to stage 3.

3. Stage 3

If the employee remains aggrieved there will be a final level of appeal to the Director responsible for the employee's function. This appeal must be made in writing (see appendix 3), enclosing a copy of the original Formal Grievance form, to the Director within ten working days of receipt of the Stage 2 response. This Director will arrange and hear the appeal with another management representative and respond formally with a full explanation **within 20 working days**.

Where a grievance is raised against a Director then the grievance will be heard by the Chief Executive.

There is no further right of appeal. Where however **both** parties agree that there would be some merit in referring the matter to a third party for advice, conciliation or arbitration, arrangements will then be made to find a mutually acceptable third party.

4. Using mediation

An independent third party or mediator can sometimes help resolve grievance issues before it is necessary to invoke the formal procedure. Mediation is a voluntary process where the mediator helps two or more people in dispute to attempt to reach an agreement. Any agreement comes from those in dispute, not from the mediator. The mediator is not there to judge, to say one person is right and the other wrong, or to tell those involved in the mediation what they should do. The mediator is in charge of the process of seeking to resolve the problem but not the outcome.

Optima will seek to identify employees who have been trained and accredited by an external mediation service who can act as internal mediators in addition to their day jobs. When this is not appropriate the Company will source an external mediation provider. Mediators will work individually or in pairs as co-mediators.

There are no hard-and-fast rules for when mediation is appropriate but it can be used:

- for conflict involving colleagues of a similar job or grade, or between a line manager and their staff
- at any stage in the conflict as long as any ongoing formal procedures are put in abeyance
- to rebuild relationships after a formal dispute has been resolved
- to address a range of issues, including relationship breakdown, personality clashes, communication problems and bullying and harassment.

Mediation is not part of Optima's formal grievance procedure. However, if both parties agree to mediation, then the grievance procedure can be suspended in an attempt to resolve the grievance through that route. If mediation is not successful, then the grievance procedure can be re-commenced.

5. Appendices

Appendix 1

To:

From:

Dept:

Date:

Immediate Superior:

Dear

I wish to take a formal grievance out against:

in line with the Company Grievance Procedure. The details of my grievance are shown below :

Yours sincerely,

(Manager should respond to this formal written grievance within 2 working days unless an extended period for response is mutually agreed)

Appendix 2

To

From

Dept

Date

Immediate Superior

Dear

On (within 10 days of the response to the initial formal grievance) my grievance against was heard by

I am not satisfied with the outcome of this meeting and would like to appeal to yourself for a further hearing of my grievance, in line with the Company Grievance Procedure.

I enclose a copy of the original letter regarding this matter and other correspondence and information related to it.

Yours sincerely

(Manager should respond to this formal written grievance within 7 days unless an extended period for response is mutually agreed)

Appendix 3

To (Director):

From:

Dept:

Date:

Immediate Superior:

Dear

On (within 10 days of the response to the second stage of the formal grievance) I appealed to against the decision made at my initial grievance against

I remain dissatisfied with the outcome of this meeting and would like to appeal to you for a further hearing of my grievance, in line with the Company Grievance Procedure.

I enclose a copy of the original letter regarding this matter and other correspondence and information related to it.

Yours sincerely

(Director should respond to this formal written grievance within 20 working days unless an extended period for response is mutually agreed)

3.

3.1. 1. **Statement of Policy**

1. Optima is committed to encouraging and maintaining good employee relations within a working environment which fosters team working and encourages employees to give of their best. Everyone in the Company and those who have dealings with the Company has a responsibility to maintain good working relationships and not use words or deeds that may harm the wellbeing of others. In addition to the obligations placed upon both employers and employees by the Equality and Human Rights legislation, everyone has the right to be treated with consideration, fairness, dignity and respect. This contributes to a workplace environment in which individuals feel safe and can work effectively competently and confidently.
2. The Company's policy applies to all staff working within the organisation and to all employees working off the premises. It extends to include non-permanent workers such as contractors, agency, temporary staff, consultants and any other workers. The policy, in addition, covers the behaviour of staff outside working hours which may impact upon work or working relationships.
3. The Company has a "zero tolerance" policy and will investigate vigorously any allegations of bullying or harassment, regardless of whether the matter has been raised formally or informally.

The Company believes that the working environment should at all times be supportive of the dignity and respect of individuals. If a complaint of harassment is brought to the attention of management, it will be investigated promptly and appropriate action will be taken.

3.2. 2. **Key Principles**

4. The Company will provide and sustain a safe working environment in which everyone is treated fairly and with respect. Those working or dealing with the Company must not encounter harassment, intimidation or victimisation on the basis of gender, race, colour, ethnic or national origin, sexual orientation, marital status, religion or belief, age, trade union membership, disability, offending background or any other personal characteristic.
5. Everyone carries a personal responsibility for their own behaviour and for ensuring that their conduct is in accordance with the principles set out in this policy. In addition, each person has a responsibility to report any instance of bullying or harassment which they witness or which comes to their attention. Employees have a responsibility to act as role models, pro-actively addressing instances of bullying and harassment. Managers should also make themselves aware of their responsibility.

6. Harassment may be defined as any conduct which is :-
 - unwanted by the recipient
 - is considered objectionable
 - causes humiliation, offence, distress or other detrimental effect.

7. Harassment may be an isolated occurrence or repetitive: it may occur against one or more individuals. Harassment may be, but is not limited to:
 - Physical contact – ranging from touching to serious assault, gestures, intimidation, aggressive behaviour.
 - Verbal – unwelcome remarks, suggestions and propositions, malicious gossip, jokes and banter, offensive language.
 - Non-verbal – offensive literature or pictures, graffiti and computer imagery, isolation or non-co-operation and exclusion or isolation from social activities.

8. Bullying is unlikely to be a single or isolated instance. It is usually, but not exclusively repeated and persistent behaviour which is offensive, abusive, intimidating, malicious or insulting. Bullying includes but is not limited to :
 - Conduct which is intimidating, physically abusive or threatening
 - Conduct that denigrates, ridicules or humiliates an individual, especially in front of colleagues
 - Humiliating an individual in front of colleagues
 - Picking on one person when there is a common problem
 - Shouting at an individual to get things done
 - Consistently undermining someone and their ability to do the job
 - Setting unrealistic targets or excessive workloads
 - “cyber bullying” i.e. bullying via e-mail. (This should be borne in mind where employees are working remotely and are managed by e-mail. Care and sensitivity should be practised with regard to the choice of context and language).
 - Setting an individual up to fail e.g. by giving inadequate instructions or unreasonable deadlines.

Harassment and Bullying may be summarised as any behaviour that is unwanted by the person to whom it is directed. It is the impact of the behaviour rather than the intent of the perpetrator that is the determinant as to whether harassment or bullying has occurred.

9. Any employee who wishes to make a complaint of harassment or bullying is encouraged to first discuss matters informally with their line manager or with Human Resources, provided that they feel able to do so. Should the issues not be resolved at this stage, or the employee feels unable to raise the issue informally, then a formal resolution should be sought.

10. When a complaint of Harassment or Bullying is brought to the attention of a manager at any level, whether informally or formally, prompt action must be taken to investigate the

matter. Corrective action must be taken where appropriate and this may require an investigation under the Company's Disciplinary Policy and Procedure.

11. If it is considered that one of the parties concerned in a harassment or bullying case should be moved from their current workplace, then as a matter of principle the Company will normally remove the alleged perpetrator rather than the complainant. However, the final decision on who should be moved should reflect the particular circumstances of the case and advice from Human Resources to the relevant manager. It should be noted and explained to those concerned that the moving of either party is not an implication of guilt or culpability and no detriment to either party will be construed as a consequence.
12. All matters relating to the investigation of complaints of harassment or bullying will be treated in strict confidence. Any breach of confidentiality in this regard may render those responsible liable to disciplinary actions. However, it will be necessary that any alleged perpetrator is made aware of the allegations against them and the name(s) of those making the allegations together with the name(s) of any witnesses.
13. No employee will be victimised or suffer detriment for making a complaint of harassment or bullying and no manager shall threaten either explicitly or implicitly that an employee's complaint will be used as the basis for decisions affecting that employee. Such conduct will be treated as a very serious disciplinary offence. Similarly, managers are required to act on any complaint of harassment or bullying. Failure to do so will be regarded as misconduct which if proven, will result in disciplinary action.
14. All complaints of harassment or bullying whether raised formally or informally must be notified by the recipient of the complaint to Human Resources for recording in accordance with the requirements of the Equality and Human Rights legislation. This legislation requires such records to be maintained and the incidence of bullying and harassment to be monitored.
15. This policy and procedure will be reviewed periodically giving due consideration to legislative changes.

APPENDIX

3.3. 3. Procedure

1. Informal Resolution

- 1.1 Very often people are not aware that their behaviour is unwelcome or misunderstood and an informal discussion can lead to greater understanding and agreement that the behaviour will cease.

- 1.2 Complainants are therefore encouraged to try, if they feel able to do so, to resolve the problem informally by making it clear to the alleged harasser that his/her actions are unwanted and should not be repeated. This may be done verbally or in writing in which case the complainant should keep a copy of the documentation and, where possible, the times and dates of incidents should be recorded.
- 1.3 If the complainant feels unable to approach the alleged harasser, a work colleague, or Trade Union representative could be asked to speak to the alleged harasser on the complainant's behalf. A note should be made of the action taken and the matter notified to Human Resources.
- 1.4 An individual who is made aware that their behaviour is unacceptable should: -
- Listen carefully to the complaints and the particular concerns raised;
 - Respect the other person's point of view: everyone has a right to work in an environment free from harassment/intimidation;
 - Understand and acknowledge that it is the other person's reaction/perception to another's behaviour that is important;
 - Agree the aspects of behaviour that will change;
 - Review their general conduct/behaviour at work and with workplace colleagues.

2. Formal Resolution

- 2.1 If the alleged harassment continues, the complainant feels unable or unwilling to deal with the matter informally, or the allegation is so serious as to prevent use of the informal procedure, a complaint should then be raised formally with the employer.
- 2.2 Normally, the employer's representative will be the employee's line manager. However, if the employee feels unable to do this they should submit the complaint in writing to a more senior manager within their Department or Directorate. In exceptional circumstances, allegations may be raised directly with the relevant Director, who will with other appropriate senior managers, arrange for the matter to be progressed in accordance with this policy and procedure.
- 2.3 When dealing with a complaint of harassment under the Formal Resolution Procedure, the relevant manager should:
- a Take full details of the incidents in writing from the complainant and their representative (if appropriate);
 - b Take full details from any witnesses/other complainants who come forward and may have witnessed the alleged behaviour
 - c Inform the alleged harasser of the complaints against him/her, advise the alleged harasser to seek representation and invite him/her to a meeting in order that they can comment on the allegations against them.
 - d Keep all parties informed of expected timescales.
 - e Inform all parties in writing of the outcome and any action that may be required.

- 2.4 If the allegations and the working situation warrant it, the alleged harasser may be suspended during the investigation (in accordance with established disciplinary procedure) or transferred temporarily pending the outcome of the inquiry to another Department.
- 2.5 Should there be a case to answer against the alleged harasser, the manager who has dealt with the complaint will communicate this to an impartial manager who will conduct a separate disciplinary investigation. The normal disciplinary procedure for misconduct/gross misconduct should then be followed. However, the following points should be taken into account: -
- The complainant will normally be required to attend the disciplinary hearing as a witness, unless there are exceptional circumstances which prevent them from doing so;
 - If the complainant is required to attend, they are entitled to be accompanied by either a Trade Union representative or work colleague and have any questions directed through that person.
- 2.6 If the complaint is upheld at the disciplinary stage, there are a number of possible outcomes for the harasser, depending on the evidence presented and the circumstances. These could include, but are not limited to: -
- Dismissal
 - A formal warning
 - A recommendation of redeployment of the harasser, either on a temporary or a permanent basis. This will not be on any less favourable terms and conditions of employment.
 - Implementation of other sanctions as detailed in the Company's Disciplinary Policy.
 - Making arrangements for both parties to work as separately as possible within the same workplace.
- 2.7 In addition to the above, the harasser may be required to attend any training courses as deemed necessary by the Company.
- 2.8 It should also be noted that the complainant may wish to move Department/section depending upon the nature of the complaint and the people involved. Appropriate consideration should be given to this request and the outcome with reasons provided to the complainant.
- 2.9 With any allegation, the need for a thorough and objective investigation is paramount. Consequently, if through the course of the investigation evidence demonstrates that the allegation has been made frivolously, maliciously, or for personal gain, then the individual

making the complaint will be subject to Disciplinary proceedings as outlined in the Company's Disciplinary Policy.

3. Appeals

Appeals against decisions taken under the Bullying and Harassment at Work Policy and Procedure shall be dealt with as follows: -

- Appeals against a disciplinary sanction will be dealt with in accordance with the appeals process in the Disciplinary Procedure.
- Appeals by a complainant about the outcome of any inquiry will be dealt with in accordance with the appeal process in the Grievance Policy.

4. Records

Where the complaint is informal and resolved at this stage, no record will be kept on personal files.

Following formal investigation, where the complaint is not substantiated, no records will be retained.

Where a complaint is substantiated or partially substantiated but does not proceed to disciplinary, a letter confirming the outcome will be retained on the personal file and supporting documentation retained in a separate file for a period of 12 months.

Where the matter proceeds to a disciplinary hearing then the storage of records should be in accordance with the disciplinary procedure.

SECTION 4 – SUPPORTING OUR STAFF IN THE WORKPLACE: *By ensuring Equality and Fairness in all aspects of Employment; dealing with Alcohol and Drug issues, and ensuring their Health & Safety is properly guarded.*

12. Equality Policy

3.4. 1. *Policy Statement*

1. Optima recognises that discrimination and victimisation is unacceptable and that it is in the interests of the Company and its employees to utilise the skills of the total workforce. It is the aim of the Company to ensure that no employee or job applicant receives less favourable facilities or treatment (either directly or indirectly) in recruitment or employment on grounds of age, disability, gender / gender reassignment, marriage / civil partnership, pregnancy / maternity, race, religion or belief, sex, or sexual orientation (the **protected characteristics**).
2. Our aim is that our workforce will be truly representative of all sections of society and each employee feels respected and able to give of their best.
3. We oppose all forms of unlawful and unfair discrimination or victimisation. To that end the purpose of this policy is to provide equality and fairness for all in our employment.
4. All employees, whether part-time, full-time or temporary, will be treated fairly and with respect. Selection for employment, promotion, training or any other benefit will be on the basis of aptitude and ability. All employees will be helped and encouraged to develop their full potential and the talents and resources of the workforce will be fully utilised to maximise the efficiency of the organisation.
5. Our staff will not discriminate directly or indirectly, or harass customers or clients because of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation in the provision of the Company's goods and services.
6. This policy and the associated arrangements shall operate in accordance with statutory requirements. In addition, full account will be taken of any guidance or Codes of Practice issued by the Equality and Human Rights Commission, any Government Departments, and any other statutory bodies.

“Our aim is that our workforce will be truly representative of all sections of society and each employee feels respected and able to give of their best.”

3.5. 2. *Our Commitment*

- To create an environment in which individual differences and the contributions of all our staff are recognised and valued.
- Every employee is entitled to a working environment that promotes dignity and respect to all. No form of intimidation, bullying or harassment will be tolerated.
- Training, development and progression opportunities are available to all staff.
- To promote equality in the workplace which we believe is good management practice and makes sound business sense.

- We will review all our employment practices and procedures to ensure fairness.
- Breaches of our equality policy will be regarded as misconduct and could lead to disciplinary proceedings.
- This policy is fully supported by senior management and has been agreed with trade unions and/or employee representatives.
- The policy will be monitored and reviewed annually

3.6. 3. Responsibilities of Management

Responsibility for ensuring the effective implementation and operation of the arrangements will rest with the Chief Executive. Directors / Managers will ensure that they and their staff operate within this policy and arrangements, and that all reasonable and practical steps are taken to avoid discrimination. Each manager will ensure that:

- all their staff are aware of the policy and the arrangements, and the reasons for the policy;
- grievances concerning discrimination are dealt with properly, fairly and as quickly as possible;
- proper records are maintained.

Human Resources / Head Office will be responsible for monitoring the operation of the policy in respect of employees and job applicants, including periodic departmental audits.

3.7. 4. Responsibilities of Staff

Responsibility for ensuring that there is no unlawful discrimination rests with all staff and the attitudes of staff are crucial to the successful operation of fair employment practices. In particular, all members of staff should:

- comply with the policy and arrangements;
- not discriminate in their day to day activities or induce others to do so;
- not victimise, harass or intimidate other staff or groups who have, or are perceived to have one of the protected characteristics.
- ensure no individual is discriminated against or harassed because of their association with another individual who has a protected characteristic.
- inform their manager if they become aware of any discriminatory practice.

3.8. 5. Third Parties

Third-party harassment occurs where a Company employee is harassed, and the harassment is related to a protected characteristic, by third parties such as clients or customers. Optima will not tolerate such actions against its staff, and the employee concerned should inform their manager / supervisor at once that this has occurred. Optima will fully investigate and take all reasonable steps to ensure such harassment does not happen again.

3.9. 6. *Related Policies and Arrangements*

All employment policies and arrangements have a bearing on equality of opportunity. The Company policies will be reviewed regularly and any discriminatory elements removed.

3.10. 7. *Rights of Disabled People*

The Company attaches particular importance to the needs of disabled people.

Under the terms of this policy, managers are required to:

- make reasonable adjustment to maintain the services of an employee who becomes disabled, for example, training, provision of special equipment, reduced working hours. (NB: managers are expected to seek advice on the availability of advice and guidance from external agencies to maintain disabled people in employment);
- include disabled people in training/development programmes;
- give full and proper consideration to disabled people who apply for jobs, having regard to making reasonable adjustments for their particular aptitudes and abilities to allow them to be able to do the job.

3.11. 8. *Equality Training*

A series of regular briefing sessions will be held for staff on equality issues. These will be repeated as necessary. Equality information is also included in induction programmes.

Training will be provided for managers on this policy and the associated arrangements. All managers who have an involvement in the recruitment and selection process will receive specialist training.

3.12. 9. *Monitoring*

- The Company deems it appropriate to state its intention not to discriminate and assumes that this will be translated into practice consistently across the organisation as a whole. Accordingly, a monitoring system will be introduced to measure the effectiveness of the policy and arrangements.
- The system will involve the routine collection and analysis of information on employees by gender, marital status, ethnic origin, sexual orientation, religion / beliefs, grade and length of service in current grade. Information regarding the number of staff who declare themselves as disabled will also be maintained.
- There will also be regular assessments to measure the extent to which recruitment to first appointment, internal promotion and access to training/development opportunities affect equal opportunities for all groups.

- We will maintain information on staff who have been involved in certain key policies: Disciplinary, Grievance and Bullying & Harassment.
- Where appropriate **equality impact assessments** will be carried out on the results of monitoring to ascertain the effect of the Company policies and our services / products may have on those who experience them.
- The information collected for monitoring purposes will be treated as confidential and it will not be used for any other purpose.
- If monitoring shows that the Company, or areas within it, are not representative, or that sections of our workforce are not progressing properly within the Company, then an action plan will be developed to address these issues. This will include a review of recruitment and selection procedures, Company policies and practices as well as consideration of taking legal Positive Action.

3.13. 10. *Grievances/Discipline*

Employees have a right to pursue a complaint concerning discrimination or victimisation via the Company Grievance or Harassment Procedures.

Discrimination and victimisation will be treated as disciplinary offences and they will be dealt with under the Company Disciplinary Procedure.

3.14. 11. *Review*

The effectiveness of this policy and associated arrangements will be reviewed annually under the direct supervision of the Company Chief Executive.

13. Drug and Alcohol Abuse Policy

3.15. 1. Introduction

1. Optima recognises that alcohol and drug abuse related problems are an area of health and social concern. It also recognises that a member of staff with such problems needs help and support from his / her employer.
2. The Company also recognises that alcohol and drug abuse problems can have a detrimental effect on work performance and behaviour. The Company has a responsibility to its employees and customers to ensure that this risk is minimised.
3. Accordingly, Company policy involves two approaches
 - Providing reasonable assistance to the member of staff with an alcohol or drug abuse problem who is willing to co-operate in treatment for that problem.
 - Disciplinary rules, enforced through disciplinary procedures, where use of alcohol or drugs (other than on prescription) affects performance or behaviour at work, and where either (1) an alcohol or drug dependency problem does not exist or (2) where treatment is not possible or has not succeeded.
4. The Company has not the internal resources to provide or arrange treatment or other forms of specialist assistance. Such services are provided by GPs, hospitals and other agencies. Through this policy the Company will seek both to assist a member of staff in obtaining such specialist help, and to protect his/her employment.

“The Company recognises that alcohol and drug abuse problems can have a detrimental effect on work performance and behaviour. The Company has a responsibility to its employees and customers to ensure that this risk is minimised.”

3.16. 2. Assistance for a Member of Staff

1. The Company will, where possible, provide the following assistance to a member of staff:
 - Helping the member of staff to recognise the nature of the problem, through referral to a qualified diagnostic or counselling service.
 - Support during a period of treatment. This may include a period of sick leave or approved other leave, continuation in post or transfer to other work, depending upon what is appropriate in terms of the staff member's condition and needs of the Company.
 - The opportunity to remain or return to work following the completion of a course of treatment, as far as is practicable, in either the employee's own post or an alternative post.
2. The Company's assistance will depend upon the following conditions being met:
 - The Occupational Health Service / Company Approved Doctor

diagnoses an alcohol or drug dependency related problem.

- The member of staff recognises that he/she is suffering from an alcohol or drug abuse problem and is prepared to co-operate fully in referral and treatment from appropriate sources.
3. The Company and its employees must recognise the following limits to the assistance the Company can provide:
- Where a member of staff fails to co-operate in referral or treatment arrangements, no special assistance will be given and any failure in work performance and behaviour will be dealt with through the Disciplinary Procedure.
 - If the process of referral and treatment is completed but is not successful, and failure in work performance or behaviour occurs, these will be dealt with through the Disciplinary Procedure.
 - A member of staff's continuation in his/her post or an alternative post during or after treatment will depend upon the needs of the Company at that time.

3.17. 3. *Disciplinary Action*

1. In line with the Company's disciplinary rules, the following will be regarded as serious misconduct:
- a) Attending work and/or carrying out duties under the influence of alcohol or drugs.
 - b) Consumption of alcohol or drugs whilst on duty (other than where prescribed or approval has been given).

Breach of these rules will normally result in summary dismissal, and only in exceptional cases will either notice or the reduced disciplinary action of a final written warning be applied.

2. Where a breach of these rules occurs, but it is established that an alcohol or drug abuse related problem exists, and the member of staff is willing to co-operate in referral to an appropriate service and subsequent treatment, the Company will suspend application of the Disciplinary Procedure and provide assistance as described above. Staff who do not comply with the treatment suggested or continue to abuse alcohol or drugs will be subjected to the application of the Disciplinary Policy.

3.18. 4. *Procedures*

Nature of the Procedures

1. The procedures define management responsibilities and provide guidelines on:
- a) Where assistance to a member of staff should be provided and the nature of and limits to such assistance.

- b) The application of the Company's Disciplinary Procedure.
- 2. Through the Occupational Health Service / Approved Company Doctor the Company will provide:
 - a) Advice and support to managers on
 - i) Whether an alcohol or drug related problem exists
 - ii) progress in treatment
 - iii) re-establishment or continuation at work of a member of staff or other appropriate arrangements.
 - b) Assistance to members of staff with alcohol or drug abuse related problems.
- 3. This does not include directly providing treatment or specialist help which is the responsibility of GPs, hospitals and other agencies working in the field. The Occupational Health Service / Company Approved Doctor, in close liaison with these persons and agencies, will assist staff referred in the following ways:
 - a) through counselling encourage them to come to a better understanding of their problem and the benefits of seeking treatment or help;
 - b) providing advice and direction regarding obtaining treatment and specialist help;
 - c) assisting in continuing at or achieving a return to work.
- 4. Alcohol or drug abuse related problems can come to the notice of management through:
 - a) Failures in work performance or behaviour necessitating use of the Disciplinary Procedure. In such situations the procedure described above should be followed.
 - b) Other means, where a member of staff seeks or agrees to accept assistance on a voluntary basis. In such situations, the procedures described above should be followed.

3.19. 5. *Recognition of the existence of a possible alcohol or drug abuse problem.*

1. Abuse of alcohol or drugs can affect performance and behaviour at work, ie, either through serious misconduct at work, (where there is a direct and demonstrable breach of the disciplinary rules regarding alcohol or drug abuse at work), or where there is a falling off of standards of work performance or behaviour, and abuse of alcohol or drugs is a possible cause.
2. The immediate line manager will be responsible for responding to such situations, carrying out either counselling or disciplinary investigations and interviews, supported as appropriate by a more senior Manager.
3. In such interviews the possible existence of an alcohol or drug abuse problem should be explored. The line manager is not required to diagnose the existence of an alcohol or drug abuse problem, merely to assess whether such abuse is a possible factor.
4. Any requirements of the Disciplinary Procedure regarding allowing the member of staff representation will be observed.

3.20. 6. *Diagnosing the existence of an alcohol or drug abuse problem.*

1. Should the interviews lead to the conclusion that an alcohol or drug abuse problem might exist and the member of staff accepts referral, the manager should refer the matter to the Occupational Health / Company Approved Doctor, who will be responsible for establishing whether or not a diagnosis of alcoholism or drug dependence can be made.
2. Disciplinary action should be suspended until diagnostic advice is obtained. Where appropriate, suspension arrangements in the Disciplinary Procedure should be followed.
3. If the interview fails to lead to the conclusion that an alcohol or drug abuse problem exists, or the member of staff rejects, or fails to co-operate in referral, disciplinary action should be continued, where and as the situation justifies.

3.21. 7. *Confirmation that a problem exists and treatment arrangements.*

1. If a positive diagnosis of an alcohol or drug abuse problem is made, and the member of staff agrees to co-operate in treatment, treatment arrangements should commence.
2. Where necessary, the Occupational Health Service / Company Approved Doctor will advise the member of staff regarding treatment and will be responsible for monitoring progress with treatment and advising the manager concerned. This advice should be available at least monthly following commencement of treatment and thereafter as appropriate. (Disciplinary action should be discontinued unless the member of staff fails to co-operate on the treatment arranged.) Should a diagnosis of alcoholism or drug dependence not be confirmed or should the member of staff refuse to co-operate in treatment, disciplinary action should be continued.
3. The Occupational Health Service / Company Approved Doctor will advise on whether a situation has been reached where there is a lack of progress with treatment or lack of co-operation by the member of staff. Managers must review the facts and consider whether or not there needs to be a return to the use of Disciplinary Procedures.
4. Where medical certificates are submitted, sick leave should be given. Should the employee continue to be fit for work during the period of treatment, he/she should be permitted to continue in his/her post or alternative work unless such an arrangement would have an adverse effect on Company services. In such circumstances, annual or unpaid leave should be approved or, exceptionally, suspension arranged.
5. If a member of staff has been off work during the period of treatment, before returning to duty, he/she will be seen by the Occupational Health Service / Company Approved Doctor who will advise management regarding capability for continuation in his/her own post and whether any special supervision or other arrangements are required.
6. Every effort should be made to comply with the advice provided by the Occupational Health Service / Company Approved Doctor. If it is not reasonably practicable to do so, and as a result, the member of staff is not able to resume duty, employment may be terminated on the grounds of incapacity (ill health).

7. If a member of staff is again involved in disciplinary situations resulting from alcohol or drug abuse related problems, a second referral to the Occupational Health Service / Company Approved Doctor and suspension of the disciplinary procedure may be appropriate. If they advise positively on the possibilities of further treatment or help and the willingness of the member of staff to co-operate, the disciplinary procedure may be suspended again to permit treatment and help to be undertaken. This second referral will not apply if the further disciplinary problems involve serious misconduct. Third and subsequent referrals are not permissible.

3.22. 8. *Situations where a Disciplinary Situation does not exist*

1. There may be situations where the possible existence of alcohol or drug abuse problems affecting a member of staff comes to a manager's attention, although there is, or has been, no discernible effect on work performance or behaviour. This could arise if a member of staff confides in his/her manager about an alcohol or drug abuse problem, or a manager could see a need to approach a member of staff after observing possible "indicators" of an alcohol or drug abuse problem (i.e.) an absence pattern, information provided by the member of staff's colleagues, etc.
2. In such situations, the Company would wish staff to feel they could seek help from their employer (in complete confidence) without worry that their job security would be in jeopardy. Accordingly, if managers should be faced with a situation of this type they should:
 - a) seek the advice of the Occupational Health Service / Company Approved Doctor regarding whether and how the matter could be dealt with;
 - b) counsel the member of staff and, if appropriate, arrange for the member of staff to be interviewed by the Occupational Health Service / Company Approved Doctor.
 - c) as in the procedure described above, the Occupational Health Service / Company Approved Doctor will play a facilitating role (i.e.) seeking to establish whether a problem exists, advising and directing the member of staff towards appropriate forms of treatment and help.
3. These steps cannot be taken without the co-operation of the member of staff. If the member of staff does not wish to co-operate, no further action should be taken.
4. Should a member of staff take up the opportunity of assistance on this voluntary basis there need be no further formal involvement of management in terms of action or the right to learn of progress with treatment. It may be however that the member of staff would wish, or agree to, further involvement of management as a means of assisting progress with treatment.
5. Use of the disciplinary procedures and/or the application of the approach described above would only be appropriate if subsequently, the member of staff is involved in a breach of disciplinary rules.
6. Should the problems of the member of staff develop to an extent that his/her continuation in post or employment became impossible, it may be necessary to identify alternative work or arrange for termination, on the same

basis as the Company operates for staff with problems of incapacity due to ill health.