

AGRI FINANCE FACILITY (PTY) LTD

LEAVE POLICY

Version 1.0 | 1 October 2025

1. PURPOSE

The main purpose of this policy is to create an environment in which the efficiencies of Agri Finance Facility's (AFF) core business and its internal administrative systems can be enhanced. It further aims to ensure that the absence of employees does not disrupt the normal course of business.

The main obligation of employees under their contracts of employment is to place their personal services at the disposal of AFF. Employees are under a positive duty to devote their energies and skills to furthering the Company's business interest. The presence of employees is vital to the overall mission of the Company.

This policy is to regulate all forms of leave to staff and to outline procedures to be followed for the granting and taking of such leave. Absence from work without approval and/or valid reason shall be regarded as misconduct and dealt with in terms of the Company's disciplinary procedure.

The policy seeks to ensure that the Company, as employer, complies and implements the provisions of the Basic Conditions of Employment Act, (Act no 75 of 1997) and is in no manner an attempt to negate the rights conferred by the BCEA.

2. PROBLEM ASSESSMENT

An unregulated leave of absence regime has the potential of crippling the ideals of the Company which may have the result of the Company not being able to contribute and deliver on its prime objective - the upliftment of the lives of the poor in this country and the region.

The BCEA bestows certain rights on employees as far as the granting and taking of leave is concerned. This policy seeks to outline the rights, the procedures to be followed when exercising the rights and the limitations to the rights. It will ensure that employees are aware of the different categories of leave available to them and it should have the effect of minimizing the number of leave-related grievances and misconduct cases.

3. POLICY

The policy identifies the different categories of leave at the disposal of employees and the procedures to be followed to utilize leave benefits.

Notwithstanding the fact that leave is an accrued right, the objective of the policy is to ensure that it is utilized and granted in a disciplined manner. The granting of leave shall be considered after the following factors have been taken into consideration:

- a) The purpose for requesting leave;
- b) Previous leave history;
- c) Leave days credit at the disposal of the employee;
- d) The work obligations of the employee; and
- e) The period of leave requested and the impact it will have on the Company's operations

The aforementioned factors must, however, be applied with sensitivity; that an employee's presence is vital to the Company's business does not mean that applications for leave should unreasonably be withheld.

The policy will provide guidance on the following categories of leave:

- a) Annual Leave
- b) Adoption Leave
- c) Study Leave
- d) Special Study Leave
- e) Maternity Leave
- f) Sick Leave
- g) Temporary Disability Leave
- h) Paternity Leave
- i) Compassionate Leave
- j) Unpaid Leave
- k) Special Leave

4. PROCEDURE AND IMPLEMENTATION MECHANISMS

4.1. Principles governing the application and granting of leave

- All employees will be required to complete leave application forms requesting leave dates and the number of days taken.
- It will remain the responsibility of the employee to ensure that leave applied for has been approved before proceeding on such leave. No leave shall be taken if no approval has been granted by the responsible manager.
- Applications for leave must be made at least two (2) weeks prior to the commencement date of the leave, to allow for planning in the absence of the employee.
- An employee's leave cycle shall commence on the date of employment with the Company.

4.2. Annual Leave

- 4.2.1. All employees irrespective of their status or remuneration levels are entitled to annual leave of 25 days per annual leave cycle of twelve (12) months.
- 4.2.2. The minimum number of leave days to be taken will be pro-rated for employees who were appointed during the course of a leave cycle.
- 4.2.3. Leave shall be accumulated at the rate of 1.67 days per calendar month or as per Long Service Award policy.
- 4.2.4. A minimum of fifteen (15) working days leave must be taken per annual cycle and must be taken not later than six (6) months after the end of the annual cycle.
- 4.2.5. The remainder of the leave after the minimum fifteen (15) working days have been taken may be accumulated but at no time may an employee accumulate more than twenty five (25) days annual leave. Any leave accumulated in excess of twenty five (25) days at the date of the leave cycle roll over shall be forfeited by the employee after six (6) months of the roll over if the leave has not been utilized.
- 4.2.6. Should an employee retire, become medically disabled die before reaching retirement age, or leave the Company for any other reason, any leave accumulated by such employee, but subject to a limit of 25 days, shall be paid out to such employee or his/her dependants.

4.3. Adoption Leave

- 4.3.1. Adoption leave entitles an employee to take leave on the date he/she adopts or take custody of a child.
- 4.3.2. The Child Care Amendment Act, 1996 (Act no. 96 of 1996) allows for both males and females to adopt children
- 4.3.3. The Natural Fathers of Children Born Out of wedlock Act, 1997 (Act no 86 of 1997) allows for a natural father to gain custody of a child born out of wedlock.

- 4.3.4. Adoption leave aims to equate itself with the aforementioned legislation.
- 4.3.5. An employee who adopts or take custody of a child who is younger than two (2) years shall qualify for leave as follows:
 - a) Eight (8) weeks if the age of the child is three (3) months or younger.
 - b) Four (4) weeks if the child is between three (3) months and nine (9) months.
 - c) One (1) week if the age of the child is older than nine (9) months but younger than two (2) years.
- 4.3.6. The employee is required to notify her manager of the adoption or custody process when it becomes known.
- 4.3.7. The legal documents confirming the adoption or taking of custody must be attached to the leave application form.
- 4.3.8. If either spouses or life partners, who are adopting a child, are employees of the Company, then both partners will qualify for adoption leave provided that the combined leave taken does not exceed the number of weeks mentioned in paragraph 4.3.5. above.

4.4. Study Leave

- 4.4.1. The leave cycle for study leave is a uniform leave cycle for all employees and runs from 01 January to 31 December (to coincide with the South African academic year)
- 4.4.2. Study leave is granted to all employees who are studying towards gaining qualifications, which will be beneficial to the Company.
- 4.4.3. It grants employees time to:
 - a) Prepare and write examinations
 - b) Attend compulsory study schools; and
 - c) Conduct research and write a thesis.
- 4.4.4. Approval of study leave is in all cases subject to the requirements of the Company's program, which must be able to allow for the employee's absence without impeding negatively on the units of operations.
- 4.4.5. The medium of study i.e. attending of study school, distance education (e.g. Unisa) etc. remains the prerogative and choice of the individual employee. The medium of study will dictate the number of study days an employee qualifies for.
- 4.4.6. One (1) day leave will be granted for the completion and writing of assignments. A maximum of five (5) working days per annum may be granted for this purpose. A roster of due dates of assignments must be attached to the leave application form.
- 4.4.7. One (1) working day will be granted for the preparation in respect of every examination paper that has to be written.
- 4.4.8. One (1) working day will be granted for the writing of the examination. An examination roster is to be attached to the leave application form.
- 4.4.9. Study leave for the attendance of study schools will only be granted if the employee has indicated and provided details of such study schools at the time of enrolling for the studies through the Study Aid Scheme for employees. Such compulsory school attendance shall be more than twenty (20) working days per year unless permission has been granted by the Chief Executive. Proof of required attendance is to be attached to the leave form.
- 4.4.10. In the event that an employee fails particular subject(s) for which study leave was granted, such study leave will be converted to annual leave and the employee's annual leave balance will be debited with the appropriate number of days. If the employee's annual leave has been exhausted, such study will be converted to unpaid leave.
- 4.4.11. If an employee, for whatever reason, leaves the company service within one year from the date of successful results, such employee must, upon termination of service pay back to the company a pro rata portion of the monetary value of the study leave granted (calculated at the remuneration earned at the time of the leave).

4.5. Maternity Leave

- 4.5.1. To grant maternity leave to all female employees of the Company.
- 4.5.2. The policy seeks to align the Company's maternity leave provisions with the basic Conditions of Employment Act (Act no 75 of 1997).

- 4.5.3. Maternity leave seeks to ensure that no employee is unfairly discriminated against due to her pregnancy, intended pregnancy or any reason related to her pregnancy.
- 4.5.4. The employee is required to notify a Director of her pregnancy when it becomes known.
- 4.5.5. The employee must inform a Director setting out terms and conditions of her maternity leave – before taking leave.
- 4.5.6. The employee is required to provide a Director with at least for (4) weeks written notice of her intention to go on maternity leave and is required to specify the date of her/his returning to work.
- 4.5.7. With regard to confinement maternity leave the following will apply:
 - a) An employee is entitled to at least for (4) consecutive calendar month's maternity leave. Three (3) months will be with full pay and one (1) month without pay.
 - b) Upon request by the employee, extended unpaid maternity leave, not exceeding two (2) months, may be granted by the employee's Director.
 - c) An employee may commence maternity leave at any time from four (4) weeks before the expected date of birth, unless otherwise agreed.
 - d) An application to go on maternity leave shall always be accompanied with a note from a medical practitioner or a midwife certifying the expected date of birth.
 - e) No employee may work for six (6) weeks after the birth of her child, unless a medical practitioner or midwife certifies that she is fit to do so.
 - f) An employee who has a miscarriage during the third trimester of pregnancy or bears a stillborn child is entitled to maternity leave for six (6) weeks after the miscarriage or stillbirth, whether or not the employee had commenced maternity leave at the time of the miscarriage or stillbirth.
- 4.5.8. Should the employee return to work upon expiry of the approved period of a paid unpaid maternity leave, her job or similar work at the same rate of remuneration will be guaranteed.
- 4.5.9. When the employee resumes work upon expiry of the approved period of maternity leave, the terms and conditions of employment will continue, as will benefits.
- 4.5.10. Paid maternity leave will be converted to unpaid leave if an employee resigns whilst on maternity leave or fails to return for duty after the completion of her maternity leave.

4.6. Sick Leave

- 4.6.1. The Company acknowledges the importance of a healthy workforce in executing its mandate and ensuring the Company's continued survival, growth and success in a competitive global economy. To sustain their health, ill employees are encouraged to seek medical treatment (if necessary) to hasten their recuperation.
- 4.6.2. Employees are entitled to a period of paid sick leave. To maintain a high level of corporate governance, employees are encouraged to utilize sick leave with the utmost good faith and integrity. Abuse of sick leave may be viewed as an act of misconduct in terms of the Company's disciplinary code.
- 4.6.3. Employees are entitled to take paid sick leave of sixty (60) calendar days per cycle of three (3) years commencing from the date of employment to completion of 36 consecutive months service with the Company.
- 4.6.4. An employee, who exhaust his/her sick leave entitlement, will have all sick leave in excess of his/her entitlement deducted from his/her annual leave, and when this has been exhausted, the employee's sick leave will be treated as unpaid leave.
- 4.6.5. During an employee's first six (6) months of employment, an employee is entitled to one (1) day's unpaid leave for every twenty – six (26) days worked.
- 4.6.6. Any application by an employee for sick leave for a period exceeding two (2) consecutive days must be accompanied by a certificate issued and signed by a medical practitioner or any other person who is certified to diagnose and treat patients and who is registered with a professional council established by an Act of Parliament. The certificate must state the period of indisposition.
- 4.6.7. Where an employee has had sick leave of more than ten (10) days without provision of a medical certificate in any twelve months commencing from the start of the sick leave cycle period, every subsequent sick leave taken must be accompanied by a medical certificate irrespective of the number of days taken.
- 4.6.8. In the event of any disputes with regard to proof of incapacity, then the relevant section of the Basic Conditions of Employment Act will apply, namely Section 23 (1)- (An employer is not required to pay an employee in terms of the sick leave if the employee has been absent from work for more than

two (2) consecutive days or on more than two occasions during an eight-week period and on request by the employer, does not produce a medical certificate stating that the employee was unable to work for the duration of the employee's absence on account of sickness or injury).

- 4.6.9. Any sick leave taken on Friday, Monday or prior and after public holidays, or before or after leave of any kind must be accompanied by a doctor's certificate.
- 4.6.10. Annual leave may be wholly or partially converted into sick leave should an employee become ill during vacation leave, subject to the submission of a medical certificate. A medical certificate must also accompany sick leave taken just before or just after the annual leave.
- 4.6.11. In the event an employee fails to meet the requirements in 4.6.7, 4.6.8. and 4.6.9. above, the Company may convert the employees sick leave or sick leave application into an Annual Leave or unpaid leave if the employee does not have sufficient annual leave days.

4.7. Paternity Leave

- 4.7.1. All male employees are entitled to three (3) working days paternity or child-care leave within twelve (12) months of the birth of a child.
- 4.7.2. The employee should inform a Company Director in writing about the birth of the child or, alternatively, submit a birth certificate.
- 4.7.3. The employee should complete an application form for special leave, stating the dates and number of days required for Paternity Leave. The form should be authorized by the employee's manager before the sick leave is taken.
- 4.7.4. The Company will grant the employee three (3) working days paid Paternity leave.
- 4.7.5. Should the employee wish to increase his Paternity Leave, he/she will be required to apply for annual leave.

4.8. Compassionate Leave

- 4.8.1. In cases of exceptional circumstances, and in recognition of the fact that employees have individual and family responsibilities, Compassionate Leave may be granted in addition to annual leave entitlement.
- 4.8.2. Compassionate Leave includes attending funerals of the immediate family members or bedside attendance for an ill immediate family member. The granting of compassionate leave is at the discretion of the Company.
- 4.8.3. A member of the immediate family is defined as the spouse/life-partner, natural parents, stepmother, step-father, grandmother, grandfather, or a grandchild of the employee or of the spouse/life-partner of the employee, child, son-in-law, daughter-in-law, sibling, or any relative living in the immediate household of the employee.
- 4.8.4. The employee should complete an application form for special leave giving full details of the reasons, circumstances and relationship for the request for Compassionate Leave.
- 4.8.5. At a Director's discretion, the employee may be requested to provide a medical certificate proving that the alleged sick relative does in fact require bedside attendance.
- 4.8.6. The form should be authorized by the employee's Director before leave is taken.
- 4.8.7. The Company will undertake to provide a maximum of five (5) working days with pay for compassionate leave per annum.
- 4.8.8. Should the employee require compassionate leave in excess of five (5) days, he/she will be required to apply for an annual leave.
- 4.8.9. Compassionate leave will not be considered for employees wishing to increase their period of annual leave.

4.9. Procedures to be followed regarding unpaid leave.

- 4.9.1. Leave without pay may be granted on good cause, only to those employees who have used their full leave entitlement, including accumulated leave.
- 4.9.2. Unpaid leave will not be considered for a period in excess of six (6) months.
- 4.9.3. Approval for unpaid leave will be granted as follows:
 - a) Less than one (1) month – a Director.
 - b) In excess of one (1) month – the chief executive in consultation with the Director.
- 4.9.4. All applications for unpaid leave and replies thereto must be in writing.

4.10. Other Special Leave

4.10.1. The Company acknowledges that extraordinary events may require of an employee to apply for Special Leave. Extraordinary events in this context refer to and are limited to the following circumstances:

Event	No. of days paid leave per leave cycle	Conditions
a) Relocation	One (1) working day	<ul style="list-style-type: none">• Only applicable if there is a physical change of address.• A Director should be informed in writing of the change of address.
b) Marriage	One (1) working day	<ul style="list-style-type: none">• A Director should be informed in writing of the change in marital status.
c) Witness in Court	As requested by Court	<ul style="list-style-type: none">• Employee must be subpoenaed by the State as a witness.• A copy of the subpoena must be attached to the leave application.• For any other Court appearances, the employee must apply for vacation leave

Approved by:

Board of Directors

Agri Finance Facility (Pty) Ltd

Date of Approval: 31 October 2025

Next Review Date: 21 September 2026