

ADvTECH GROUP

Human Resources

Policy Document

Policy Name	LONG SERVICE AWARD POLICY
Policy effective date	July 2017

Purpose	The Company appreciates and recognises continued service by its Employees and desires to publicly recognise important milestones in each Employee's career. In appreciation of loyalty evidenced by continued service, the Company will provide appropriate service awards to employees.
Scope	This policy applies to all Permanent Employees of the ADvTECH Group, as well as Permanent Employees who have retired but remain in employment as a Fixed Term Contractor with continuous service. At the discretion of Management, Foreign Nationals on a Fixed Term Contract with the ADvTECH Group, may also benefit from this policy.
Principles	1. Only employees with continuous service qualify for Long Service Awards. 2. In the case of broken service, an employee will begin accumulating tenure towards long service from the date they re-joined the organisation, regardless of the amount of time they were away. 3. If an employee has broken service of less than 12 months, their service will be considered continuous only when determining redundancy pay. No broken service is considered in the payment of Long Service Awards. 4. In instances where an employee joined the Company on a Fixed Term contract and directly thereafter converted to a Permanent employee, the prior Fixed Term service will be taken into consideration when calculating the employee's length of service when calculating the Long Service award. 5. Employees who resign after their service date anniversary will be entitled to receive their award. Employees who resign prior to their service date anniversary will not be entitled to receive their award. 6. The award is paid out in the month in which the anniversary falls.

Process and procedure

7. Upon completion of five years at the Company, service awards will be presented and at five-year intervals thereafter.
8. A framed certificate, indicating the Company's appreciation, is handed to all Employees who have reached their service milestone.
9. At reaching a 15-year milestone and every 10 years thereafter, Employees may choose between receiving a tax-free cash award or tax-free asset up to the value of R 5000.
10. On choosing a tax-free asset, Employees must produce an invoice, stipulating the full price of the asset and this must be done within the month the long service is awarded. A cheque will be issued by Payroll in the supplier's name to a value of up to R 5000. Should the store require an EFT payment, the relevant vendor forms must be completed.
11. Where applicable, tax will be deducted from all awards paid.

Years of Service	Taxable Monetary Value	Tax-Free Asset/Cash
5 years	R 6 000.00	
10 years	R 11 000.00	
15 years	R 16 000.00	R5 000.00

Years of Service	Taxable Monetary Value	Tax-Free Asset/Cash
20 years	R 21 200.00	
25 years	R 32 000.00	R5 000.00
30 years	R 44 000.00	
35 years	R 54 000.00	R5 000.00
40 years	R60 000.00	

12. Long service award functions will be held as and when required and are held at various locations. The relevant HR Business Partner is responsible for coordinating the long service award functions where award certificates will be handed to Employees.
13. Payroll will automatically pay out the long service award in the month the award is due to Permanent Employees. However, HR Business Partners are required to authorise the payment of service awards for those Foreign Nationals who qualify.

Long Service Leave Entitlement	14. Continued service is recognised through an increase in leave entitlement, as illustrated in the following tables:																			
	ADvTECH Group (excluding Resourcing)																			
	<table><tr><th>Grade</th><th>Long service 5 years</th><th>Long Service 10 years</th></tr><tr><td>Grades A – C</td><td>21 days</td><td>23 days</td></tr><tr><td>Grades D – F</td><td>26 days</td><td></td></tr></table>	Grade	Long service 5 years	Long Service 10 years	Grades A – C	21 days	23 days	Grades D – F	26 days											
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Accountability	Human Resources is responsible for issuing and updating this policy as necessary. It is the responsibility of all employees to ensure they are fully aware of company policies and that they are acting in accordance with these policies.																			
Related Policies	Annual Leave Policy																			

VERSION	REVIEW DATE	REVISIONS MADE
00	January 2010	Initial Release
01	January 2014	Financial awards increased
02	July 2017	Policy opened to Foreign National on an FTC (at the discretion of Management)
03	October 2022	Condition of continuous service added and leave entitlement
04	February 2024	Update of cash-free tax
05	May 2024	Addition of an award for 40 years of service