



ALTRON

ALLIED ELECTRONICS
CORPORATION LIMITED

POLICY ON HUMAN RIGHTS

AND

LABOUR CONDITIONS

POLICY ON HUMAN RIGHTS AND LABOUR CONDITIONS

Introduction

The Altron group is committed to protecting the human rights of everyone who works for the group and all those who have dealings with it. As a responsible group of companies, we support the United Nations Universal Declaration of Human Rights that sets “common standards of achievement for all people and all nations”.

We recognise that our responsibility for human rights and labour conditions encompasses:

- Operating sites - In developed countries, performance on most of the issues covered in this policy will be required by law. Therefore this policy is primarily provided to guide operations in those emerging markets where concerns are regularly expressed about human rights.
- Supply chain - It is our aspiration that the working conditions throughout our supply chain meet internationally-accepted standards of human rights and working conditions and we aim to encourage our suppliers including our sub-contractors to follow them wherever possible.

Principles underlying this policy

This policy on human rights and labour conditions has been developed with reference to the following documents:

- The United Nations (UN) Universal Declaration of Human Rights.
- The 8 so-called ‘fundamental’ labour standards of the International Labour Organisation. These cover freedom of association; the right to organise and bargain collectively; use of forced labour and equality.
- The UN Convention on the Rights of the Child.

Responsibility

We believe that everyone throughout our organisation is responsible for having due regard for human rights. In particular:

- the board has overall responsibility for ensuring that human rights considerations are integral in the way in which existing operations and new opportunities are developed and managed;
- managers and supervisors provide visible leadership that promote human rights as an equal priority to other business issues. They also have a responsibility for identifying abuses that occur;
- all employees are responsible for ensuring that their own actions do not impair the human rights of others. They are also encouraged to bring forward, in confidence, any concerns that they may have about human rights abuses.

Effecting action

We recognise that from time to time we will encounter challenges on human rights that are bigger than the Altron group is able to tackle alone. Many human rights abuses are systemic in their host communities. We are therefore committed to working with other organisations who can help us implement this policy effectively over time and who can ensure that we are not complicit in human rights abuses.

Policy principles

The Altron group requires that all its operations seek to abide by the following:

Child labour

We will not employ employees under the legal minimum age for admission to work stipulated by the laws of the countries where we conduct business and will operate in accordance with ILO conventions No. 138 on the minimum age for admission to employment and No. 182 on the banning of the worst forms of exploitation of child labour.

Further we support the use of legitimate workplace apprenticeship, internship and other similar programmes that comply with all laws and regulations applicable to such programmes.

Forced labour

In accordance with ILO Conventions 29 on Forced Labour and 105 on the Abolition of Forced Labour, we will not make any use of forced labour, including prison labour, indentured labour, slave labour or other forms of compulsory labour.

Health and safety

We will provide a safe and healthy work environment and take all reasonable steps to prevent death or injury to anyone on our sites. Regular training to all our employees on health and safety issues will be provided. All employees will have access to bathroom facilities and potable water.

Most aspects of health and safety are covered by existing Altron policies which are available on the Altron Intranet.

Freedom of association and the right to collective bargaining

We respect the principles of freedom of association and collective bargaining as defined in ILO convention No. 87 on the freedom of trade unions and the protection of trade union law and No. 98 on the right of organisation and collective bargaining.

The Altron group shall facilitate open communication and direct engagement between employees and management in those situations where the right to freedom of association and collective bargaining is restricted under law. No employee shall be subject to dismissal, discrimination, harassment, intimidation or retaliation due to his/her membership of a lawful trade union or workers association.

Discrimination

In accordance with ILO Convention 111 on Discrimination, we will not, subject to domestic (i.e. South African) legislation which may provide otherwise, discriminate against any person based on race, sex, caste, origin, religion, disability, gender, sexual orientation, union or

political affiliation or age (within statutory limits). We will not tolerate sexual or racial harassment or bullying, and aim to ensure that our employees have access to training, development and promotion opportunities, given their ability to perform their job in an effective manner.

Altron has specific policies on discrimination and harassment, which are available from the human resource departments of the Altron group (see the Human Resource Policy forming part of the Altron policy manual) and on the Altron Intranet.

Discipline

We will not employ, or allow to be employed, on any of our employees, any form of corporal punishment, physical, sexual or verbal abuse. Any disciplinary matter will be dealt with fairly and in accordance with our transparent disciplinary and grievance procedures.

Working hours

We comply with relevant legislation and regulations relating to the working standards of our employees, including those regarding working hours, rest days and holidays.

Compensation

Wages paid for standard working hours must meet local legally-mandated minimum wage levels. However, they must also be sufficient to meet the basic needs of employees and their families. We will work with reputable local organisations to establish what a 'living wage' is.

Living conditions

We will ensure that where we provide accommodation to our employees on operating sites in territories where we operate and conduct business, we will ensure that this accommodation is of an acceptable standard of size and cleanliness; that it is appropriate to local customs and norms and that adequate facilities are provided. We will work with relevant NGOs and other partners to establish what accommodation standards are appropriate, and to ensure that this standard is achieved and maintained.

Respect of local communities

We respect the rights of local people when creating new business developments and aim to undertake our activities in a manner that is considerate and in keeping with the surrounding community. We will, where practicable, consult with local communities and take into account their opinions and concerns when creating new developments.

We will ensure that our operations and work practices are respectful of and encourage tolerance towards differences between individuals or groups within the societies and environments in which we conduct business and to respect the culture of those societies and environments.

We will seek to avoid complicity in human rights abuses in those countries and territories where we conduct or intend conducting business.

Implementation

Responsibility

Responsibility for the compliance of this policy by each operation of the Altron group lies ultimately with the relevant operational boards. Performance will be reported by the operations to the Altron board via the relevant risk management committees.

Responsibility for the implementation of this policy lies with the sub-holding group HR executives who are required to develop procedures and guidelines relevant to their operations within the various territories where they operate and conduct business, or intend operating and conducting business.

Monitoring and compliance

Each sub-holding group will be responsible for ensuring that it has in place the necessary arrangements to, on an annual basis, monitor and report compliance with this policy and to develop specific policies and guidelines appropriate to the local markets and cultures where they operate and conduct business.

Each sub-holding group will be required to report their performance against this policy at the relevant risk management committee meetings.

Any employee of the Altron group who suspects infringement of this policy has the right to inform the Altron Group Company Secretary and/or Altron Group Legal Manager without fear of persecution. We will investigate any allegations of infringement of this policy and take appropriate action as necessary. Any serious breaches by employees will be considered gross misconduct and may lead to their summary dismissal.

This policy is regularly reviewed, at least on an annual basis, and revised if necessary.