

Annexure A

Performance Improvement Program

In order to complete the company's disciplinary process a Performance Improvement Program is announced that will be implemented immediately.

This program will form an integral part of the company's Staff Manual, and the following guidelines must therefore be added to the section Disciplinary Procedure, par.5.1.1 on page 21:

"The PIP has two main goals:

- (a) to assure that the employee understand that his or her performance has important shortcomings and that substantial improvement is essential; and
- (b) to create a fair and realistic situation which should help the employee to achieve this improvement in performance."

If this performance improvement cannot be achieved and if no other alternative can be found, the procedure will help to terminate the services of the employee in a fair and dignified way. When a manager notices a lack of performance over an extended period of time, it is his or her responsibility to implement this procedure.

To implement the procedure, the manager must first complete sections 1-4 of the PIP report. The most recent performance assessment must be added to the report, combined with any other relevant documents. If no performance assessment is available, it should be explained in section 2 of the PIP report.

Apart from this report, the manager must provide the employee with a letter stating the following:

- (a) that the employee's performance is not up to standard,
- (b) that the employee will be accommodated in the PIP for a set period, and
- (c) that, if the employee does not show evidence of reasonable performance improvement the Company will unfortunately have to terminate the services of the employee

After completion of the documents, the manager must have a formal interview with the employee and take the opportunity to discuss the contents of the report in detail. The manager and the employee then have to decide on a plan of action in order to address the shortcomings in the performance of the employee. The success of the PIP is the joint responsibility of the employee and his or her manager.