

Hiring & Exit Management Policy

A. Hiring Policy

Purpose:

The purpose of this policy is to ensure a fair, transparent, and consistent recruitment process that attracts and selects the most qualified candidates. It aims to align all hiring decisions with the organization's values, culture, and strategic goals while promoting equal opportunity and diversity in the workplace.

1. Sourcing & Selection

1.1. Sourcing:

- **Recruitment Channels:** HR uses various channels according to the required vacancies to source qualified calibers such as:
 - Internal Recommendation: when any existing employees recommend someone they know.
 - External Recruitment: CVs database, Employment fairs, agencies, digital platforms.
 - Internal Recruitment: Where some existing employees consider applying for the vacant post, as such, the current line manager's approval is a must to proceed.
- **Hiring 1st degree Relatives:**

As a rule, the Company does not hire first-degree relatives. However, exceptions may be considered in specific cases where there is no direct reporting relationship, no involvement within the same division, and no potential conflict of interest, provided that such cases are approved by the CEO.

1.2. Selection:

- After compiling CVs from diverse sources, HR will screen CVs based on the criteria required, applicants who don't match the needed job requirements are then eliminated.
- 1st short list of applicants should be sent to the hiring manager for review and commence the HR interviews.
- 2nd short list of applicants with HR evaluation should be sent to the hiring manager after HR conducts the competency-based interviews.
- Hiring manager will perform the technical interviews & send the feedback to HR by choosing a selected candidate.
- The hiring Manager is required to fill in and sign the [Interview Evaluation Form]
- For accepted calibers, Recruitment Section should run reference check from the previous employers.
- For rejected calibers, Recruitment Section acknowledges the applicants with a notification email.

2. Offer and Contract

- The Compensation & Benefits section is responsible for preparing employment offers, ensuring alignment with the company's grading system and salary structure.
- All offers of employment must be issued in writing and accepted in writing, with a validity period of five (5) working days from the date of issuance.
- The HR Operation section shall provide the candidate with all required hiring documents, as stipulated by Egyptian labor laws, prior to contract signing.
- The employment contract must be presented to the new hire on their first working day for signature.

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3. Probation Period

3.1. Framework:

The probation period is three (3) months, and this applies to:

- New hires joining the company for the first time.
- Employees transferred to a new department or reporting to a new manager where performance assessment is required.
- **Note | For new hires:** During the probation period, either party may terminate the employment relationship without legal consequences, in accordance with the Egyptian Labor Law.

3.2. Responsibilities:

- **Recruitment Section:** Should monitor the probation timelines, so that by the middle of the third month, it must send the Probationary Performance Evaluation Form to the direct manager to assess the employee's performance, behavior, and punctuality.
- **Direct Manager:** Evaluate employee's performance, behavior, cultural alignment and punctuality. and provide structured feedback and recommendation.
- **Head of Department:** Review and validate the manager's evaluation by either approving or rejecting the recommendation.
- **Employee:** Attend the feedback meeting with the direct manager & sign to acknowledge the evaluation outcome.

3.3. Probation period Results:

- **If the employee does not successfully complete the probation period,** the Recruitment Section shall initiate the standard hiring process to identify a replacement, while the HR Operations Section finalizes the employee's separation process.
- **If performance is partially met,** the probation period may be extended for a maximum of three (3) additional months - With New Contract - supported by a Performance Improvement Plan (PIP), subject to HR approval.
- **If the employee successfully completes the probation period,** the employment is confirmed, marking the official closure of the recruitment cycle.

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B. Exit Management Policy

Purpose:

The purpose of this policy is to ensure a smooth, respectful, and well-structured process for employees leaving the organization. It aims to facilitate proper knowledge transfer, maintain positive relationships, and ensure compliance with company policies and legal requirements while safeguarding organizational assets and information.

1. Resignation

1.1. Submission, Withdrawal & Approvals:

- The employee is responsible for submitting the [Resignation Form] to the line manager with at least three months' notice period for fulfilling the commitments as per the employment contract.
- It is the employee's responsibility to obtain the line manager signature on the [Resignation form] .
- The employee can withdraw the resignation within ten (10) days from the resignation notification date.

1.2. Documentations: HR shall prepare the exit documents below:

- [Resignation Form] to be signed by the employee as well as direct manager and Head of HR.
- Recruitment Section shall conduct an exit interview, and the [Exit Interview Form] should be signed by the employee.
- Disclaimer and Clearance Forms should be signed by the employee and all parties concerned.
- Social Insurance Form 6 to be signed by the employee.
- HR should notify the IT department and all concerned parties to deactivate the employee user accounts.
- Line manager to state if an e-mail backup is needed or to be forwarded to the new replacement.

1.3. Final Settlement:

- Salary will be calculated on a pro-rata basis for the last month of employment when applicable.
- The employee is entitled to compensation for the unused annual leave balance up to the exit date.
- All outstanding balances, including salary advances, leave balances, and installments, shall be recovered in full through the final settlement whenever feasible.
- The final settlement, including any unused leave compensation, shall be processed within the month following the employee's exit date.

2. Retirement

- In accordance with the Egyptian Labor Law, the Company reserves the right to end the employment relationship once the employee reaches the official retirement age, determined by the year of birth:
 - Up to 1971: will retire at age 60
 - Born 1972–1973: Age 61
 - Born 1974–1975: Age 62
 - Born 1976–1977: Age 63
 - Born 1978–1979: Age 64
 - Born 1980 and later: Age 65
- The employee who has spent a minimum of 5 years of service shall receive an end of service bonus which is calculated on the last basic salary:
 - The 1st 5 years of service, the employee is entitled for one-month basic salary for each year.
 - The 2nd 5 years of service, the employee is entitled for one and half month basic salary for each year.
 - After the 10th year of service, the employee is entitled to two months' basic salary for each year.
- HR shall carry out the normal exit procedures outlined in the "Resignation" section of this policy.

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3. Death

- In the unfortunate event of an employee's death, the Company shall release an amount equivalent to five (5) months of the employee's last gross salary, in accordance with Egyptian Labor Law, payable to the beneficiary named in the employee's signed Emergency Form.
- The Compensation & Benefits Section shall notify the life insurance provider (if applicable).
- The Compensation & Benefits Section shall also issue a legacy notification statement to the Legal Department to confirm the distribution percentages of the insurance proceeds (if applicable).
- Upon receiving the compensation cheque from the life insurance provider, the amount shall be distributed to the designated beneficiaries through individual cheques.

4. End of Contract

- This procedure applies to employees working under Definite Contracts.
- The HR Operations Section shall review all employee contracts at the end of each month and prepare a list of contracts expiring within the next two (2) months, to be shared with the respective line managers and Heads of Departments.
 - **In case of renewal:** HR Operations Section shall notify the employee of the extension and obtain their signature on the [Contract Renewal Form], to be approved by the authorized signatory.
 - **In case of non-renewal:** The Line Manager shall first inform the employee of the decision. The HR Operations Section shall then issue a formal notification confirming that the Company will not renew the contract.
 - The employee must sign the end of contract form as acknowledgment.
 - If the employee fails to sign, HR shall send the original form via the employee's official email or by registered mail, ensuring acknowledgment of receipt.
- HR shall execute the standard exit procedures outlined in the "Resignation" section of this policy.

5. Legal Dismissal

- The Company reserves the right to terminate an employee's contract if they commit a serious violation during employment, in accordance with Article 148 of the Egyptian Labor Law.
- In such cases, the Legal Department shall conduct an official investigation, during which the employee shall be suspended from work until the investigation is concluded.
- If the violation is proven, HR Operations Section shall proceed with the standard exit procedures outlined in the "Resignation" section. Should the employee refuse to sign the related documents, HR should notify the Legal Department to initiate the appropriate legal actions.