

## POLICY ON EMPLOYEE LIABILITY FOR FINES AND PENALTIES

**Policy Number:** HR-POL-2025.1011.001

**Effective Date:** 15 October 2025

**Version:** 1.2

**Approved by:** Managing Director

**Policy Owner:** Human Resources Department

**Next Review Date:** 15 October 2026

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### **1** Policy Purpose

To promote accountability, compliance, and stewardship across all Telco Broadband and Beyond operations by ensuring that employees whose negligence, recklessness, or wilful misconduct leads to fines, penalties, or sanctions imposed on the organisation by any authority or statutory body, bear the financial liability thereof.

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### **2** Policy Statement

Telco Broadband and Beyond expects all employees to act with due care and in accordance with laws, internal policies, and approved procedures.

Any employee whose **actions or omissions** cause a fine, penalty, or sanction to be imposed on the company by a statutory, regulatory, or administrative authority will be **personally liable** for the full payment, where:

- The employee **knew or reasonably ought to have known** their responsibilities;
  - The breach arose from **negligence, omission, or failure to act responsibly**; or
  - The employee **took unilateral action** to “regularise” or conceal a matter without **Executive Committee or Managing Director approval**.
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### **3** Scope

Applies to all permanent, fixed-term, and contract employees, officers, and agents of Telco Broadband and Beyond and its subsidiaries, including managerial and non-managerial staff.

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### **4** Definitions

Term	Definition
<b>Negligence</b>	Failure to exercise reasonable care expected of someone in the same role or position.
<b>Fine / Penalty</b>	Any monetary or administrative sanction imposed by a statutory or regulatory authority.
<b>Authority</b>	Includes but is not limited to ZIMRA, POTRAZ, NSSA, NEC, EMA, ZERA, ZINARA, City Councils, or the Zimbabwe Republic Police.

## 5 Policy Application

Where an employee's negligence is established:

- The fine or penalty amount shall be **recovered directly** from the employee's salary or benefits, subject to due process.
- The employee may face **disciplinary action** in line with the Code of Conduct.
- **Gross or repeated negligence** may lead to termination and external reporting to professional bodies.

## 6 Internal Process for Assessing Liability

Step	Responsible Party	Process Description	Time Frame
<b>1. Incident Reporting</b>	Department Head / Supervisor	Log the fine immediately in <b>Odoo Compliance Register</b> and notify <b>Risk &amp; Compliance</b> and <b>HR</b> .	Within 24 hours
<b>2. Preliminary Verification</b>	Risk & Compliance Office	Confirm the validity of the fine, identify the authority involved, and link the responsible employee(s).	Within 2 working days
<b>3. Root Cause Assessment</b>	Department Head + Risk & Compliance	Review evidence, emails, logs, and SOPs to establish whether negligence occurred.	Within 3 working days

Step	Responsible Party	Process Description	Time Frame
<b>4. Employee Notification</b>	HR Department	Issue <b>Notice of Liability Review</b> with details of alleged negligence and request a written response.	Within 1 working day after Step 3
<b>5. Employee Representation</b>	Employee	Submit written response and supporting evidence (emails, instructions, mitigating factors).	Within 48 hours
<b>6. Internal Review Committee (IRC)</b>	HR, Finance, Risk, Department Head	Review all evidence and make recommendation on liability and recovery.	Within 5 working days
<b>7. Executive Committee Approval</b>	Exco / Managing Director	Review IRC recommendation and approve or amend recovery decision.	Within 3 working days
<b>8. Recovery Implementation</b>	Finance & HR	Communicate decision and recover amount via payroll or reimbursement.	Next pay cycle
<b>9. Record &amp; Close</b>	Risk & Compliance	Log closure in <b>Odoo Compliance Register</b> and generate lessons learned.	Within 2 working days after recovery

**✓ Controls:**

- All actions must be documented in **Odoo Approvals & Documents**.
- Employees have a right to respond and appeal.
- Systemic causes trigger a **Corrective Action Plan (CAP)**.

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**7 Roles and Escalation Levels**

<b>Employee Level (Patterson Grade)</b>	<b>Review Authority</b>	<b>Composition of Internal Review Committee (IRC)</b>	<b>Final Approval Authority</b>
<b>Below D1 (General Staff / Line Employees)</b>	Immediate Supervisor & Department Head	HR Officer, Department Head, Finance Representative, Risk & Compliance Officer	<b>HR Manager</b>
<b>D1 – D3 (Supervisors, Managers, Specialists)</b>	HR Manager	Senior HR Officer, Finance Manager, Risk & Compliance Manager, and Neutral Department Head	<b>Managing Director or Delegated Exco Member</b>
<b>D4 and Above (Senior Managers, Directors)</b>	Managing Director	HR Manager, Group Finance Director, Risk & Compliance Manager, and one Exco Member (not from same portfolio)	<b>Managing Director with Exco Ratification</b>
<b>HR Manager (when implicated)</b>	Managing Director	Group Finance Director, Risk & Compliance Manager, and one Exco Member	<b>Managing Director</b>
<b>Managing Director (if implicated)</b>	Board Chairperson	Board HR & Remuneration Committee	<b>Board of Directors</b>

 **Notes:**

- Escalate one level higher in cases of conflict of interest.
- Maintain neutrality in investigations.
- Lower-level cases prioritise speed and documentation, higher-level cases prioritise independence and fairness.

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**8 Areas of Negligence and Examples**

<b>Department / Function</b>	<b>Area of Negligence</b>	<b>Examples of Negligent Acts / Omissions</b>	<b>Possible Consequences / Fines</b>
<b>Motor Vehicles &amp; Logistics</b>	Vehicle management & compliance	<ul style="list-style-type: none"> <li>• Failure to renew licences or insurance.</li> <li>• Reckless driving causing fines or accidents.</li> <li>• Ignoring maintenance.</li> <li>• Allowing unlicensed drivers.</li> </ul>	ZINARA, police fines, insurance penalties, liability costs.
<b>Compliance</b>	Regulatory reporting	<ul style="list-style-type: none"> <li>• Missing statutory deadlines.</li> <li>• Filing incomplete returns.</li> <li>• Poor record keeping.</li> </ul>	POTRAZ/ZERA penalties, licence suspension.
<b>Finance &amp; Tax</b>	Tax and statutory compliance	<ul style="list-style-type: none"> <li>• Late VAT/PAYE filings.</li> <li>• Non-remittance of deductions.</li> <li>• Using unapproved suppliers.</li> <li>• Self-regularisation without approval.</li> </ul>	ZIMRA penalties, interest, audits.
<b>Risk &amp; Governance</b>	Risk oversight	<ul style="list-style-type: none"> <li>• Ignoring audit findings.</li> <li>• Exceeding delegated authority.</li> <li>• Failing to report incidents.</li> </ul>	Audit findings, sanctions, risk exposure.
<b>Operations / Technical</b>	Environmental & safety compliance	<ul style="list-style-type: none"> <li>• Ignoring safety rules.</li> <li>• Unapproved works.</li> <li>• Poor site documentation.</li> </ul>	EMA fines, work stoppages.


<b>Department / Function</b>	<b>Area of Negligence</b>	<b>Examples of Negligent Acts / Omissions</b>	<b>Possible Consequences / Fines</b>
<b>Human Resources</b>	Statutory compliance	<ul style="list-style-type: none"> <li>• Late NSSA/NEC returns.</li> <li>• Payroll errors.</li> <li>• Missing employee records.</li> </ul>	NEC/NSSA fines, tribunal action.
<b>Procurement &amp; Stores</b>	Policy adherence	<ul style="list-style-type: none"> <li>• Unauthorised purchases.</li> <li>• Unregistered vendors.</li> <li>• Incomplete inspection documentation.</li> </ul>	Audit penalties, disciplinary action.
<b>Customer Services / Sales</b>	Contractual & data compliance	<ul style="list-style-type: none"> <li>• Signing unauthorised contracts.</li> <li>• Data breaches.</li> <li>• Misleading information.</li> </ul>	Data protection fines, legal claims.
<b>IT &amp; Systems</b>	Cybersecurity & access	<ul style="list-style-type: none"> <li>• Ignoring access controls.</li> <li>• Sharing credentials.</li> <li>• Installing unauthorised software.</li> </ul>	Cybersecurity fines, data loss.
<b>Administration / Facilities</b>	Licensing & premises compliance	<ul style="list-style-type: none"> <li>• Failing to renew licences.</li> <li>• Ignoring safety inspections.</li> <li>• Unauthorised alterations.</li> </ul>	Council fines, closure orders.

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### **Unauthorised or Unilateral Actions**

Any employee who, without **Executive Committee or Managing Director** approval:

- Negotiates directly with authorities;
- Pays fines unofficially; or
- Alters or conceals records,






 **Commits Gross Misconduct** and bears **personal liability** for all resultant costs and penalties.

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## **Due Process and Recovery**

- Recovery only proceeds after completion of Section 6 process.
  - Recovery instalments shall not exceed **30% of gross monthly pay** unless otherwise approved.
  - For gross negligence, the company may require **immediate full repayment**.
  - Exco may authorise disciplinary measures in parallel.
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## **Related Policies**

-  Code of Conduct
  -  Delegation of Authority Policy
  -  Risk & Compliance Management Policy
  -  Motor Vehicle & Logistics SOP
  -  Odoo Approvals & Governance SOP
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## **Review and Amendments**

This policy shall be reviewed annually or sooner if new statutory or operational requirements arise.

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## **Document Control**

<b>Prepared by</b>	<b>Reviewed by</b>	<b>Approved by</b>	<b>Effective Date</b>	<b>Next Review Date</b>
HR Department	Risk & Compliance	Managing Director	15 Oct 2025	15 Oct 2026

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### **Odoo Workflow Integration Tips**

- Use **Knowledge Tags**: #Policy #Compliance #EmployeeLiability #Finance #Risk.
- Attach workflow under: **Odoo → HR → Policies → Compliance**.
- Create a linked **Odoo Form View** for “Fine or Penalty Assessment” to capture:
  - Employee Name
  - Department
  - Authority Involved
  - Nature of Fine
  - Amount
  - Date Received
  - Root Cause Summary
  - IRC Recommendation
  - Approval Outcome
  - Recovery Schedule