

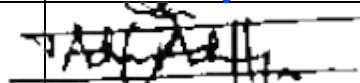


# TOTAL REWARDS POLICY

## Reviews & Approvals

This Policy document has been reviewed and approved by the undersigned:

Designation	Signature	Date
Chairman, Signal Alliance Technology Holding		6th June 2023
Group Executive Director		6th June 2023
Group Head, Human Resources		6th June 2023

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## 1. POLICY PURPOSE

The general aim of this Policy for Signal Alliance Technology Holding ("SATH" or "the Company") is to provide appropriate basis for competitive compensation, benefits and rewards structure within the holding Company and its subsidiaries. At SATH, we believe that our people are, and will continue to be our key driver for delivering competitive advantage. The overall purpose is to attract and retain top performers by offering industry competitive compensation levels.

### 1.1. Performance Eligibility Requirements

In addition to the eligibility requirements that have been specified under each rewards/benefits scheme, the table below shall serve as the first level eligibility requirement before an employee can access a specific benefit scheme.

1.2. **Table Keys:** The staff is eligible: ✓ The staff is ineligible: x

**Table 1: Performance Eligibility Requirements Table**

BSc Score	>=80%	70% - 79%	60% - 69%	50% - 59%	0% - 49%
Star Rating	5	4	3	2	1
Description	Outstanding	Highly Effective	Effective	Average	Unsatisfactory
Car Grant	✓	✓	✓	X	X
Solar Grant	✓	✓	✓	✓	X
Staff Dividends Pay	✓	✓	✓	✓	✓
Sales Commission (for Shared Services staff, excluding Sales department)	✓	✓	✓	X	X
Cable/Satellite TV Subscription (1 year)	✓	✓	X	X	X
One year House Rent Subsidy (10% of annual rent <b>subject to if the Company meets its revenue expectations for new businesses.</b> )	✓	X	X	X	X

Aside Sales Commission, all other benefits are for confirmed employees, except where otherwise stated. **Fulfilment of benefits is also subject to Company's affordability.**

Benefits	Comments on criteria
Car Grant and Solar Grant	<ul style="list-style-type: none"><li>The most recent balanced score card score in H1 or H2 shall be used as basis</li></ul>
Sales Commission – Shared Services	<ul style="list-style-type: none"><li>Q1 or H1 performance score, depending on the period of payment</li></ul>

Benefits	Comments on criteria
One year Cable/Satellite TV subscription.	<ul style="list-style-type: none"> <li>❖ First Application Window opens from January to March. The performance score of the preceding year at H2 shall be used as basis.</li> <li>❖ Second Application Window is from October to December. The performance score of current year at H1 will be used as basis.</li> <li>❖ Qualified employees must submit their applications through the designated portal during any of the application windows. Executive Management, Senior Management team members and anyone in the leadership team requires no application.</li> <li>❖ Payment is for one year only. New applications must be made after expiry and will be subject to meeting the set conditions as at the period of request.</li> </ul> <p><b><u>Subscription values:</u></b></p> <ul style="list-style-type: none"> <li>▪ <b>Executive Management to Senior Management Levels:</b> Annual value of DSTV highest subscription package or its equivalent amount will be paid. Value is payable by default within the first quarter of the year. Performance score is not required.</li> <li>▪ <b>Management Level:</b> Annual DSTV subscription (or its equivalent amount) that precedes the highest DSTV subscription package. Performance score is required, except where the employee is in the Leadership team and attends Management meetings (not in acting capacity).</li> <li>▪ <b>Nongraduates to Senior Executive Levels:</b> Annual DSTV subscription (or the equivalent amount) that precedes the defined DSTV subscription package for Management level. Performance score is required.</li> </ul>
One year House Rent Subsidy (10% of annual rent)	<ul style="list-style-type: none"> <li>❖ This is subject to the Company achieving its revenue targets for new businesses during the preceding financial year.</li> <li>❖ Employees can apply if the above condition is fulfilled and if they have a minimum of 80% performance score.</li> </ul>

Benefits	Comments on criteria
	<ul style="list-style-type: none"> <li>❖ Conditions for the first and second application windows will apply as defined above.</li> <li>❖ Rent subsidy will only be paid as a reimbursement. Eligible employee must attach evidence of completed bank transfer + receipt of annual house rent via mail to HR/Operations for this claim. Payment evidence done by employee's spouse is acceptable as long as the surname corresponds with the employee's surname.</li> <li>❖ Payment is for one year only. New applications must be made after expiry and will be subject to meeting the set conditions as at the period of request.</li> </ul>

## 2. SCOPE

Subject to the provisions prescribed in specific eligibility reward/benefit areas, this Policy covers all employees, irrespective of employee's contract, department, grade, location, subsidiary, and otherwise.

## 3. RELATED DOCUMENTS/POLICIES

- 3.1. SATH Staff Handbook
- 3.2. SATH Performance Management Policy
- 3.3. Employee's letter of employment/ Contract of engagement
- 3.4. Exit Management Policy
- 3.5. Medical Policy
- 3.6. Leave Management Policy

All aforementioned documents are incorporated to the policy by reference.

## 4. CONFIDENTIALITY

No part of this document may be disclosed verbally or in writing, including by reproduction, to any third party without the prior written consent of SATH.

## 5. GENERAL PRINCIPLES

- 5.1. The Company's total rewards strategy has been defined along the following key dimensions: market pay, competitive positioning and pay mix.
- 5.2. The Company shall maintain equitable and consistent pay practices in compliance with applicable labour laws and within the constraints of its budgetary process and financial limitations.

- 5.3. The Company recognises that excellent performance is critical to the achievement of its business goals and objectives and as part of its commitment to adopting and embedding a culture of performance, the Company shall reward employees at every level based on merit, competence and job performance.
- 5.4. The Company shall use an organized and systematic method of classifying jobs and administering salaries to ensure that pay levels are competitive and internally equitable. Where applicable, separate salary structures may be maintained for different categories of staff based on job scope, technical competence, and depth of experience.
- 5.5. Salary information shall remain confidential to the employee and any attempt by an employee to disclose such information to another employee, former employee or any third party, without the prior approval of the Human Resources department, shall warrant serious disciplinary sanction, to the extent of termination of employment on the grounds of breach of trust.
- 5.6. Employee's compensation may consist of both guaranteed and variable pay across all job groups. Guaranteed pay is payable monthly in arrears. Where employees have worked for less than a month, the pay shall be calculated on a pro-rata basis. On the other hand, variable pays are subject to performance criteria and other applicable terms and conditions.

## 6. SATH'S TOTAL REWARDS OVERVIEW

To motivate employees and ensure improved performance, SATH's employee total rewards shall be classified into the following:

- 6.1. **Compensation:** This comprises of Fixed and Variable Pays.  
Employee's Fixed pay include the following allowance components as contained in their offer of employment letters: Basic, Housing, Transport, Medical, Dressing, Education and Lunch Subsidy. Others include Leave Allowance (10% of Annual Basic Pay) and End of year bonus or 13<sup>th</sup> month (one month basic, which is payable at Company's discretion), as well as any other component that may be added based on internal or regulatory considerations.  
Employee Variable pay includes Internet Allowance; Telephone Allowance; Fuel Allowance; Marketing Allowance – all are based on employee category in the Company. Other variable pay includes Sales Incentives, Engineering Commission, Finders Fees, Performance Bonus/Profit Sharing, etc.
- 6.2. **Benefits:** Employee benefits in SATH shall include Pension Scheme, Group Life Insurance, Health Insurance benefits (HMO), Car Grant Scheme, Maternity & Paternity Leave, Flexible Work Arrangement; Bereavement Grant, Wedding Grant, Childbirth Grant; Quarterly beverage provisions; Salary Advance; Staff Housing Scheme; Solar Power Support; House Rent Subsidy, Cable TV Subscription, Club

Memberships based on staff levels; Staff Dividends and other benefits which the Company may initiate from time to time.

6.3. **Recognitions:** This is in recognition of employees who have performed well within their space, and it also extends to employees who have meritoriously served the Company for significant number of years. Such recognition is called **Long Service Award**. Other categories include Quarterly Award for best employee; and other Company-wide award categories that may come during end of year events based on the Company's plan and budget.

6.4. **Career Development**

This reward approach is in recognition of the need to support employee's career development in the Company. It includes Professional Membership Subscriptions (based on levels); Training & Development; Exams & Certifications that are relevant license renewal and accreditation of the Company.

## 7. SALES COMMISSIONS

7.1. **Introduction:** SATH pays commissions based on sales generated net of taxes. The rates of commission, as well as the required Profit margin will be given to each Sales, Technology and Business Units Employees at time of hire. The Company reserves the right to change commission rates and or profit margin requirements as needed to protect the financial integrity of the Company.

7.2. **Responsibility:** SATH will pay commission on a Quarterly basis, and only on final sales figure. On no account will SATH pay commissions later than 2 months in the following the Quarter.

7.3. **Dispute Resolution:** All disputes regarding commission computation must be submitted in writing to the Head of the Human resources and in his/her absence, the Finance Department, within 15 days before the date of commission computation.

7.4. **Exit or Contract Termination:** SATH will pay commission to the exited staff not later than 30 days after exit date. Where all the prerequisites are not met before the exit period, the commission shall be forfeited.

7.5. **Pre-requisites:** Commission shall be earned when below prerequisites are met:

**7.5.1.Sales:**

7.5.1.1. Full payment has been made and the job completed fully.

7.5.1.2. Commission shall be forfeited after maximum of 90days for Corporate customer and 120 days for Public sector customers.

7.5.1.3. At least 50% of target is met.

7.5.1.4. Rebilling assigned must not be lost and if lost, it must be replaced.



## 7.6. Practices

**7.6.1.** Billable projects shall have a project plan showing the engagements days for all technical people in the project.

**7.6.2.** The project plan must be approved before the commencement of the project.

**7.6.3.** Approved billable days shall be used to determine the commission.

**7.6.4.** Project slack of 5 days is acceptable.

## 7.7. Policy

### **Sales (Manager/Supervisors manages no Account)**

a) 2% commission shall be earned on New/Renewal Opportunity

b) 0.75% Commission on Rebilling

2 level Network –

a) 70% shall be earned by the Custodian and

b) 30% to the Manager.

3 level Network –

a. 60% shall be earned by the Custodian and

b. 20% to the Manager and

c. 20% to the last level.

### **Sales (Whereas the Manager/Account Owner manages key Accounts solely)**

▪ 2% commission shall be earned on New/Renewal Opportunity.

Practice Units:

▪ 2% commission shall be earned on New/Renewal Opportunity

▪ 0.75% Commission shall be earned on Rebilling opportunity

2 level Network

a) 40% shall be earned by the Manager and

b) 30% to the Custodian

c) 30% to the other team members

3 level Network

a) 40% shall be earned by the Manager

b) 25% to the Custodian vice versa

c) 15% to the last level, vice versa

d) 20% to the other team members

### **Business Units (Cloud Advisory/Infrastructure/Enterprise Services)**

a) 2% commission shall be earned on New/Renewal Opportunity

b) 0.75% Commission shall be earned on Rebilling opportunity

c) 70% shall be earned by the Manager and

d) 30% to the Back-end staff.

## 8. ENGINEERING COMMISSION

The purpose of this technical engineering Incentive Plan is to:

- a. Compensate Technical Delivery Resources for efforts in projects they are involved in.
- b. Improve our Project quality and delivery Timelines.
- c. Incentivize Technical delivery resources for efforts in supporting the organization to meet and exceed revenue targets.
- d. Inculcate the right culture towards service delivery.

#### 8.1. Engineering Project Commission

- a) 10% Commission shall be earned on the charge out rate to the Engineers on the project to be shared according to the billable day.
- b) 1% of the 10% commission would be due to the Supervisor.

**NB: The commission will be based on the charge out rate for the services billed to the Customer. The commission would be split among the team based on volume of work.**

### 9. SUBSIDIARY BASED INCENTIVES

From time to time, each subsidiary or business shall have an incentive-based scheme in order to incentivize their teams and to induce the right performance. Such scheme shall be reviewed and approved by the business as the need arises and it shall form a part of the SATH Total rewards Policy upon approval. **To avoid double payments, the performance incentive value (when paid) shall be deducted from any earned Sales commission during the period in which the performance incentive and Sales commission were earned.**

### 10. SALARY ADMINISTRATION

Salaries shall be paid monthly no later than the last working day of the month. Whatever money you receive as salary is basically confidential information between you and the company and shall not be shared under any circumstance with any other Employee except those who by virtue of their job description have such privilege e.g. Finance and HR.

### 11. END OF YEAR BONUS

As incentive to staff and as a matter of practice, the company will pay employees basic monthly salary as 13<sup>th</sup> month, subject to satisfactory financial results as end of the year bonus. Confirmed staff who have not served the company for at least one year at the end of the year, shall be entitled to a prorated value of the bonus for that year or at management's discretion.

Where the company wishes (as a matter of discretion) to give out Christmas gifts/items/vouchers to staff, the guiding principles and sharing parameters shall be based on:

- a) Employee grade levels (full time and contract)
- b) Length of service in the Company: a minimum of three (3) months is required.
- c) Employee may or may not be confirmed as at the period.
- d) Other employees whose length of service are below 3 months may be considered based on discretion as per their grade levels.

## **12. STAFF DIVIDENDS**

A percentage (10%) of the Company's dividends as declared by the Board of Directors for each accounting year shall be distributed to staff who were on the payroll when such income was earned and still work for the company when such dividend was declared and approved for payment. This percentage shall be determined from time to time by the Board.

## **13. FINDER'S FEE**

The Company will pay finder's fee to anyone that brings any deal that closes with at least 25% profit margin. The fee shall be calculated as follows:

- 5% on Net Profit on 6 figures
- 3% on Net Profit 7 figures
- 1.5% on Net Profit on 8 figures and above.

## **14. PENSION SCHEME**

In line with statutory requirements, employee will be allowed to join the Contributory Pension Scheme (CPS). This allows employee to contribute up to 8% of the monthly basic, housing and transport allowance, while the Company contributes up to 10% on behalf of the staff to the scheme. The employee is free to register with any PFA – Pension Fund Administrator of choice but must send his/her pension account details the Company through the HR department within the first three months of registration with a preferred PFA.

## **15. COMPENSATION FOR DISABILITY**

The statutory requirements as detailed in the Employee Compensation Act 2010 and the schedule thereto form the basis of the Company's compensation Policy. Also, the Company pays an additional amount based on the degree of impairment suffered by the employee.

- a) In case of partial disability: a percentage of the annual basic salary based on the level of disability as assessed by a Medical Practitioner after treatment. As an equal opportunity employer, the Company may in cases of partial disability, examine the possibility of re-absorbing the employee in another area of the Company's operation in which the disability would not impair or affect his/her ability to perform and for which he/she is suitably qualified.
- b) In case of full/permanent disability: 100% of annual basic salary.

- c) In the case of death, employee Group life insurance policy shall cover this.

## **16. MEDICAL BENEFITS**

Employees who wish to use the organizations' medical scheme must comply with the Company's medical policy.

## **17. LONG SERVICE AWARD**

The Long Service Award provides SATH with a mechanism to recognise and reward the contributions and loyalty of employees, who have put in considerable number of years (5 years and above), to the service of the organization.

This Long Service Award applies to all employees in varying categories who have completed a minimum of 5 (five) years, 10 (ten) years, 15 (fifteen) years, 20 (twenty) years and 25 (twenty five) years or above of continuous employment in the Company.

### **17.1. General Principles:**

The Long Service Award is based on the following general principles:

- a) Eligibility is open to all confirmed, full time and permanent employees of SATH who work within SATH or who have been seconded or transferred by SATH to work in any of its subsidiary companies.
- b) Employees are recognised and rewarded according to the respective grade levels.
- c) The Long Service Award scheme is not taxable, ensuring employees don't incur any tax liability on benefits.
- d) Recognition will be done on an annual basis (every year end) or at such periods deemed fit by the Company, subject to business affordability.

### **17.2. Eligibility:**

This policy covers all permanent and full-time employees and to qualify for this award, an employee must:

- e) Have length of continuous service of a minimum of 5 (five) years, 10 (ten) years, 15 (fifteen) years, 20 (twenty) years and 25 (twenty-five) years or above, excluding any period of Internship, NYSC, Contract. This also applies to employees who have resigned from the organization and are returning back to the Company. For this category of employees, their previous length of service shall not count.
- f) Where an eligible employee has tendered his resignation and is serving a notice period as at the time of recognition, such employee will only be entitled

to any such final entitlements (if resignation is voluntary) that is specified in the Company's Exit Management Policy in line with his/her grade level in the Company. Please refer to SATH Exit Management Policy.

- g) The Long Service Awards stated in this Policy shall not form part of employee's exit entitlements or terminal benefits.
- h) The various categories of awards have been detailed below, regardless of employee grade levels.
- i) This will be celebrated at the end of year or at such other period determined by the company:

Length of Service	Service Award
<b>5 years</b>	Presentation of 5th year anniversary pack: <ul style="list-style-type: none"> <li>• Certificate signed by an Executive Director</li> <li>• Cash gift or its equivalent in local currency of <b>N150,000</b> (One Hundred Fifty Thousand Naira)</li> </ul>
<b>10 years</b>	Presentation of 10th year anniversary pack: <ul style="list-style-type: none"> <li>• Certificate signed by the Executive Director</li> <li>• A plaque crested with the employee's name and years of service</li> <li>• Cash gift or its equivalent in local currency of <b>N300,000</b> (Three Hundred Thousand Naira)</li> </ul>
<b>15 years</b>	Presentation of 15th year anniversary pack: <ul style="list-style-type: none"> <li>• Certificate signed by the Executive Director</li> <li>• A plaque crested with the employee's name and years of service</li> <li>• Cash gift or its equivalent in local currency of <b>N450,000</b> (Four Hundred &amp; Fifty Thousand Naira)</li> </ul>
<b>20 years</b>	<ul style="list-style-type: none"> <li>• Certificate signed by the Executive Officer</li> <li>• A plaque crested with the employee's name and years of service</li> </ul> Cash gift or its equivalent in local currency of <b>N600,000</b> (Six Hundred Thousand Naira)
<b>25 years</b>	Presentation of 25th year anniversary pack: <ul style="list-style-type: none"> <li>• Certificate signed by the Executive Officer</li> <li>• A plaque crested with the employee's name and years of service</li> <li>• Cash gift or its equivalent in local currency of <b>N1,000,000</b> (One Million Naira)</li> </ul> <b>Amount may be adjusted (upward or downwards) by the Board based on business affordability.</b>

## 18. BEREAVEMENT GRANT

The Company recognises that death is inevitable and as such, made provision to support employees who lost their parents (biological father, mother or relatives as specified below). Regardless of employee's level, the Company shall:

- Write an official letter to commiserate with the employee and his/her family members.
- Send representative (s) on behalf of the company to the funeral ceremony.
- Support employee with an amount based on levels as detailed below:

S/N	Bereavement Cadre	Junior Executive	Senior Executive	Management/Senior Management/Executive Management
1	Staff death	This is covered under Group Life Insurance (Staff are encouraged to always update their next of kin or their beneficiary details when required).		
2	Loss of Father/Mother	N100,000	N150,000	N250,000
3	Loss of Husband/Wife	N150,000	N150,000	N250,000
4	Biological Brother/Sister	N50,000	N50,000	N100,000
5	Child	N150,000	N150,000	N250,000

## 19. WEDDING GRANT

The Company shall support confirmed and unconfirmed employees (full time) who intend to get married in the course their employment. Interns and contract staff are not eligible. This amount is payable once and cannot be received twice in the course of employment with SATH. The Company shall also notify other employees about if the staff desires to extend invitation to all employees for his/her wedding ceremony. The wedding grant shall be paid as described below:

For Confirmed Staff		
Junior Executive	Senior Executive	Management/Senior Management/Executive Management
100,000	150,000	200,000

For Unconfirmed Staff		
Junior Executive	Senior Executive	Management/Senior Management/Executive Management
50,000	100,000	150,000

## 20. CHILDBIRTH GRANT

SATH employees (confirmed employees) who give birth in the course of their employment shall be entitled to an amount specified in the table below. However, it should be noted that the specified amount is not determined by the number of children birthed at a time. Also, the employee shall only be eligible for the childbirth grant where a **minimum of two years** has elapsed after the last childbirth grant was given. The maximum number of births should not be more than four births at different periods and the employee will not be eligible for childbirth grant after he/she has been paid up till the fourth child while working in the Company.

Junior Executive	Senior Executive	Management/Senior Management/Executive Management
50,000	100,000	150,000

## 21. SALARY ADVANCE

These are advances of money normally equivalent to not more than one third of employee's net monthly salary and are deductible from employee's salary at the end of the month in which the advance is made. Salary advance approval comes once in a week, starting from 2 weeks after salaries have been paid. An employee may not request for salary advance more thrice in a financial year. Only the part that has been earned in the month by staff will be paid to the staff as salary advance. Advance will not be more than 30% of staff monthly salary.

## 22. SEVERANCE PACKAGE

A severance package is the pay and benefits that employee may be entitled to receive when they leave employment of the Company unwilfully and involuntarily due to redundancy or other forms of business exigencies. **Please refer to Exit Management Policy** for the respective Severance package based on exit types.

## 23. SATH CAR GRANT POLICY (AMENDED)

### 23.1. Introduction

Signal Alliance Technology Holdings ("SATH") operates a car grant scheme that assists employees who require a vehicle to carry out their duties and responsibilities. The Car Grant Scheme shall be divided into the following schemes as amended:

(a) **Car Grant – Silver Scheme:** This is for employees in these job categories and levels:

Job Category	Job Levels
Senior Management 1	Non-Front-line roles only (GM/DGM, AGM)
Management	Senior Manager/Manager
Senior Executives	Deputy Manager/Assistant Mgr.
Junior Executives	Executives/Trainees
Non-graduate roles	Drivers/Support Staff

(b) **Car Grant – Gold Scheme:** This is for employee in the following job categories and levels:

Job Category	Job Levels
Senior Management 2	Chief Operating Officer in SATH

(c) **Car Grant – Premium Scheme:** This is for employee in the following job categories and levels:

Job Category	Job Levels
Executive Management	MD/CEO/ED
Senior Management 3	Heads of Subsidiary Businesses

**Front line roles** are senior leadership roles that have direct customer relationships, where movements to customer locations are extremely necessary to facilitate business deals and generate revenue.

### 23.2. Performance Eligibility requirements

In addition to the eligibility requirements that have been specified within the Policy Principles under each scheme, the eligibility requirements in **pages 4 - 6** and the associated comments thereof shall service as the first level criteria for accessing any of the car schemes by an employee. Please refer to the tables in **Pages 4 to 6** of this Policy document first.



### 23.3. Scope

The three (3) car grant schemes cover all confirmed employees of SATH and its subsidiaries. Such employees must have spent a minimum of 12 months in the organization, with the exception of employees under the Premium Scheme. **An employee can only qualify for one scheme at a time.**

### 23.4. Definitions

- a) **Interest rate:** This is the rate charged by a lender of money or credit (i.e., bank) to a borrower. From the borrower's point of view, it is the 'cost' of borrowing, and from the lender's point of view, it is the reward for lending.
- b) **Car Value:** This refers to the worth of the car in monetary terms.
- c) **Self-Financed option:** This is an option that allows employee to purchase a car through personal savings without recourse to bank loans.
- d) **Loan Financed option:** An option that allows employee to purchase a car through bank loan.
- e) **Repayment:** a schedule of amount to be paid back over a given period.
- f) **Loan liquidation:** Liquidation of a loan can be either by way of payment in full, a disposition, a refinance or a compromise.
- g) **Voluntary exit:** This is where an employee decides to leave the organization through a formal resignation process.
- h) **Involuntary exit:** Where an employee leaves the organization due to redundancy, layoffs, or termination of employment arising from non-performance, summary dismissal.

### 23.5. Dispute Resolution

All internal disputes with respect to breach of agreement shall be handled internally. If unresolved, the SATH Solicitors must be consulted.

### 23.6. Car grant – Silver Scheme

#### Policy Principles

- a. Employees under this scheme will only be eligible for the car grant, if they have been confirmed and have completed at least 12 months of continuous service with SATH. Employees that are in the **Drivers category** must be confirmed and must also have completed at least 5 years of continuous service in the company before they can qualify. These eligibility requirements for all employees are in addition to meeting the Performance Eligibility requirements that have been set out in this Policy for **ALL**

## Employees

- b. An eligible employee under this scheme can only apply for a car grant at a time. In other words, multiple applications shall be not allowed.
- c. The maximum duration for a car grant shall be five (5) years. In other words, employees are allowed to submit another application for a car grant upon completion of a five-year period, when the initial application must have elapsed and provided the length of service is progressive and subject to full repayment of any bank loan, if the initial grant is financed by the bank.
- d. For any second or subsequent car grant applications under this scheme by an eligible employee, the company shall give priority to first applicants in order to provide a fair opportunity for all eligible employees. Subject to any financial constraints on the company at any given time, all second and/or subsequent applications shall be treated.
- e. The vehicle must be insured with comprehensive insurance cover yearly by the employee.
- f. The vehicle shall be used when needed for office activities.
- g. The company shall bear no liability in the event of theft or any damage to the vehicle.
- h. The employee shall be responsible for maintenance and other related expenses of the vehicle.
- i. In the event that the vehicle becomes a total loss or is damaged to such an extent that it is impractical to repair same, the proceeds of the comprehensive insurance policy on the vehicle shall be applied to such extent as necessary to pay off the balance due to the Company where the 24 months period has not elapsed. If the insurance proceeds are not sufficient for that purpose, the employee shall pay the differential amount.
- j. Where an employee chooses to purchase a car higher than the value quoted for his/her level, the Company shall not pay above the allowable percentage limit that is provided in the threshold. For the avoidance of doubt, where the maximum car value is N2m for a staff category, but the employee in this category chooses to purchase a car that worth N3m due to personal preferences, the Company will only pay the allotted percentage for the employee level in line with the limit of car value.
- k. **Employee Exit:** Irrespective of the type of exit (i.e., voluntary or involuntary), employee exiting the organization within 24 months or less, after a car grant has been received, will be required to pay up the outstanding balance of the total repayment value. This shall be prorated based on the month of exit and the remaining months leading up the 24 months period.

### 23.7. Loan Financing (Silver Scheme)

This is where an employee requires a loan in order to finance the purchase of a vehicle under this scheme. In this instance, the following principles shall apply:

- I. The Company shall contribute a percentage of the car value in line with the provision of the "Car Purchase threshold" of this Policy document as stated in Table ABC. The said contribution by the Company shall be written off after 24 months, provided the employee remains in the organization for the period.
- II. The employee shall provide the remaining percentage of the car value through bank loan and the repayments plan shall be agreed between the employee and the bank or a car leasing company.
- III. The Company shall not provide any surety or guarantee for the loan and would bear no liability on behalf of the employee in the event of breach of loan agreement.
- IV. Where an employee has secured a bank loan to augment the purchase of car under this scheme, the employee must use the fund for the purchase of brand-new car or foreign used car, which in local parlance is known as 'TOKUNBO'. Cars already registered and used in Nigeria are exempted. Requesting for a car grant by an employee in order to repair or refurbish an existing car is PROHIBITED and such can be a ground for serious disciplinary action against the employee.
- V. In case of death of employee while the period of loan repayment with the bank has not elapsed, the outstanding balance of the loan shall be treated in line with the bank's lending terms and conditions.
- VI. The employee shall be responsible for the security of the car and if theft occurs, the employee shall continue with the loan repayment plan as agreed with the bank.
- VII. Upon purchase of the car, the employee is expected to provide copies of the vehicle particulars to HR/Operations for documentation (i.e. Vehicle license, insurance certificate, roadworthiness certificate, with visual image of the vehicle – showing the registered plate number (front & back views).

**Table ABC: Car Purchase Threshold & Approved Limit – Silver Scheme**

Job Categories of Staff	Job Levels	Company's Contribution	Car Value Limit	Amount Eligible
Executive Management	MD/CEO	30%	45,000,000	13,500,000
Senior Mgt 3	Heads of Subsidiaries/Owners of Business Portfolios	30%	25,000,000	7,500,000
Senior Mgt 2	Chief Operating Officer, SATH	30%	20,000,000	6,000,000
Senior Mgt 1	Non-Front-line roles: (GM/DGM, AGM)	30%	Maximum of N10m	3,000,000
Management	Senior Manager/Manager	30%	Maximum of N8m	2,400,000

Job Categories of Staff	Job Levels	Company's Contribution	Car Value Limit	Amount Eligible
Senior Executives	Deputy Manager/Assistant Mgr.	30%	Maximum of N5m	1,500,000
Junior Executives	Executives/Trainees	30%	Maximum of N3m	900,000
Non-graduate roles	Drivers/Support Staff	30%	Maximum of N2m	600,000

**Notwithstanding the above car purchase threshold, please note that there is no guarantee that all car grant requests will be approved, as it is subject to budget and business affordability.**

### **23.8. Car Grant: Premium and Gold Schemes (official car option)**

This scheme is aimed at providing guidelines on how SATH intends to support the official movements of specific \*front line leadership roles for business transaction purposes. This arrangement will be done through the business facilitating a bank loan for identified front line business leaders based on priority of their roles and in line with the agreed car limits in this policy document. A tripartite arrangement (Bank, SATH & Staff) shall serve as a supporting guide to this policy in order to ensure the protection of all parties.

**\*Front line leadership roles** are senior leadership roles that have direct customer relationship, where movements to customer locations are extremely necessary to facilitate business deals and generate revenue.

### **Policy Principles:**

- a. **Car Value Limit:** The car value limit for qualified job roles will be determined and advised by the business from time to time. **See Table XYZ** for the current car value limit for the Premium Scheme.
- b. **Request to purchase above the limit:** The Company's position is neutral. Any qualified Manager wishing to purchase above the prescribed limit shall pay the excess upfront, hence limiting the loan exposure to benchmarked values only.
- c. **Loan Arrangements (Premium & Gold Schemes)**
  - I. SATH will negotiate and set up a 4 to 5 year tripartite Loan arrangement on behalf of

her front-line leaders. It will involve SATH, the Manager and the Bank or the appointed lease company. SATH will not be financially exposed under any circumstances.

- II. The appointed Bank/Lease company will finance the purchase of the car and will be entitled to monthly installment payment which will be paid by SATH on behalf of the Manager.
- III. SATH shall be responsible for the repayment of the loan's principal and interest as long as the employee remains in SATH's employment.
- IV. Ownership of the Car- The car would be registered in the name of the Bank or the Company (depending on the loan arrangement between both parties). Ownership would be transferred to Manager on liquidation of the loan.
- V. Newly employed Managers may be required to provide additional security as may be prescribed by Management and the Bank from time to time. In all circumstances, the business must not be unduly exposed financially.

d. **Monthly Running Allowance:** The monthly running allowance shall be paid to the Manager under this scheme on a monthly basis. **This shall override any other existing car/vehicle related allowances previously enjoyed by the Manager.** The running allowance shall cover: Monthly Driver Allowance; Fuel Expense; Car park Expense; Repairs that are above/or not covered within the insurance claims. **Please see Table XYZ for allowable monthly running allowance.** The allowance will be paid monthly along with the staff's salary.

e. **Car Registration & Documents Renewal:** The car will be registered in the name of the Company or the Bank – depending on the arrangement until ownership is transferred to the Manager upon expiration of the set period of loan repayment. Document renewals will be done by the Company pending when ownership is transferred to the staff.

f. **Car Insurance:** The Company will be responsible for the insurance expense based on the loan arrangement with the Bank. Where a car is damaged by the user and the cost of insurance is higher than the repairs expense, the staff will bear the differential cost of the repairs.

g. **Car Maintenance:** The staff has the responsibility to ensure the car is maintained and in good condition at all times. The Company will be responsible for the scheduled car servicing on periodic basis based on OEM specifications (OEM- Original Equipment Manufacturer).

h. **Termination of Service:** Should a Manager decides to resign or is requested to leave the Company's employment, he/she shall be required to pay the current market value of the "used" car as at the time of exit, if the staff intends to exit with the car. If the staff wishes not to exit with the car, the Company shall examine the condition of the car and charge any cost of repairs or damage to the staff. It is expected that the staff will keep the car in good condition in a manner that would not warrant any major or minor repairs upon exit of the staff from the Company.

i. The option to buy the car during exit will be subject to using the car for a minimum period

of 3 – 4 years. However, if the number of years is lesser than 3 – 4 years, the staff will be required to offset the outstanding balance of the loan value from the bank. In addition, the Company shall take further discretion in this instance depending on the circumstances.

**The Manager's long service/exit benefits (if any) can also be used to offset the amount to be paid by the staff during exit. Please refer to Company's Exit Policy for eligible benefits upon exit based on length of service.**

- j. **Other expenses:** These shall include cost of minor repairs arising from usage; and cost of fines and other traffic Offenses: These costs shall be the responsibility of the Manager under this scheme.

**Table XYZ: Car Purchase Threshold & Approved Limit – Premium & Gold Schemes (Official Car)**

Categories of Staff	Job Levels/Roles	Monthly Running Allowance <i>0.5% of car value limit</i>	Car Value Limit & Amount Eligible	Car Type
Executive Management	MD/CEO/ED	₱300,000	₱60,000,000	New
Senior Mgt 3	Heads of Subsidiary Companies	₱200,000	₱40,000,000	New
Senior Mgt 2	Chief Operating Officer	₱175,000	₱35,000,000	New
Senior Mgt 1	Non-Front-line roles: (GM/DGM, AGM)	Not Applicable	Not Applicable	

**Notwithstanding the above car purchase threshold, please note that approval is subject to budget and business affordability.**

The Management may give a concession on car grant if there is an agreement reached during the period of employment negotiation, especially when such concession will be critical to the employee's role.

This policy is intended to provide the guiding principles for all the specific schemes and the Company reserves the right to review and/or adjust the provisions of this policy based on economic, financial or any other reasons that may jeopardize the sustainability of business operations.

## 24. STAFF SOLAR ENERGY GRANT SCHEME

### 24.1. Introduction

SATH operates a solar power grant scheme that assists employees who require alternative source of energy to carry out their duties and responsibilities while working from home. This policy is intended to provide the guiding principles for such scheme and the company reserves the right to review and/or adjust the provisions of this policy based on economic, financial or any other reasons that may jeopardize the sustainability of business operations.

Please refer to the Performance Eligibility table for the first level criteria for accessing the Staff Solar Energy Grant.

### 24.2. Policy Principles

- a. The Company shall provide a guarantee sum of **N300,000 (Three Hundred Thousand Naira only)** to an eligible employee under the scheme.
- b. The guaranteed amount shall be written off after one year (12 months) from the date of disbursement.
- c. Where an employee receives the grant but resigns before the expiration of one year (12 months), the employee will be expected to refund the total amount (i.e. N300,000) to the Company without proration. The amount may also be debited from the employee's outstanding final entitlements (if any).
- d. Employees will only be eligible for this grant if they have been confirmed.
- e. An eligible employee can only submit a single application. In other words, multiple applications shall not be allowed if the first application has been considered.
- f. The Company shall make considerations on the basis on first come, first served
- g. Eligible employees can also claim for reimbursement after installations of the solar energy, provided they agree with the terms and conditions and subject to the Company's fulfilment of other pending requests that are on the waiting list before the reimbursement claims.
- h. The Company shall have no dealings with any solar energy company and all transactions and negotiations made by the employee with such solar energy providers shall not be binding on the Company.

### 24.3. Disbursement Procedures

- i. If eligible, the employee raises a requisition for Solar Energy Support by completing form/bond on the ERP or any other approved platform.
- j. HR checks and confirms employee eligibility based on employment status and previous requests.

- k. Employee sends completed bond agreement to HR to indicate interest with a copy of installation invoice, as well as a three-month bank statement of account. Employee is expected to contact any solar energy provider of choice to generate invoice. ***Evidence of part or full payment to the solar energy provider by employee is desirable, although not compulsory.***
- l. HR receives and reviews the signed agreement with all submitted documents and advises Finance department for disbursement.
- m. Finance disburses payment, subject to number of employees on the waiting list and Company's affordability.
- n. Upon disbursement of fund to employee's bank account and after installations of solar energy, the employee shares pictures to HR as evidence that the grant received has been used for its intended purpose.

**Notwithstanding the above procedures, please note that there is no guarantee that all requests in this instance will be approved, as it is subject to budget and business affordability.**

## **25. OUT OF STATION ALLOWANCE**

### **25.1. Policy Principles**

- a. It is the Company's policy to make available the appropriate funds required by an employee for business/official travels, in line with the Company's stipulated out of station allowance applicable per day for the duration of the business or official trip. It is the employee's responsibility to adhere to the requirements of this policy when taking on/incurred expenses on behalf of the Company.
- b. Where two or more employees are embarking on a trip to the same location at the same time, the transport cost shall be regarded as one. In other words, the employees involved shall not be paid separate transport allowance as long as they are going on the same trip to the same destination.
- c. The respective project teams are expected to revalidate project costs and consider out of station cost while also ensuring that customers are not over billed. Adequate considerations on project timelines must be in order to avoid excessive billings and unnecessary expense arising from unnecessary elongation of project completion days.
- d. As soon as the out-station projects/assignments have been completed,



employees are expected to return to base. Failure to do so shall warrant serious disciplinary sanctions.

## 25.2. Out of Station Allowance & Applicable Expenses

OUT OF STATION ALLOWANCE & APPLICABLE EXPENSES(N) ABUJA, PH & LAGOS						
GRADE	ACCOMMODATION	FEEDING	LOCAL RUNNING	AIRPORT TAXI TO & FRO LAGOS	AIRPORT TAXI TO & FRO ABUJA/PH	TOTAL
EXECUTIVE MGT	90,000.00	20,000.00	25,000.00	20,000.00	20,000.00	175,000.00
SENIOR MGT	30,000.00	15,000.00	20,000.00	20,000.00	20,000.00	105,000.00
MANAGEMENT	25,000.00	10,000.00	15,000.00	20,000.00	20,000.00	90,000.00
SENIOR EXECUTIVE	20,000.00	10,000.00	10,000.00	20,000.00	20,000.00	80,000.00
JUNIOR EXECUTIVE	20,000.00	10,000.00	10,000.00	20,000.00	20,000.00	80,000.00
Local running <b>WILL NOT</b> apply for weekends – (Saturday & Sunday) except where the official trip (e.g. wedding, funeral ceremony, etc.) falls on weekends, which the employee must have been nominated to represent the company at such event.						
OUT OF STATION ALLOWANCE & APPLICABLE EXPENSES(N) OTHER LOCATIONS						
GRADE	ACCOMMODATION	FEEDING	LOCAL RUNNING	AIRPORT TAXI TO & FRO LAGOS	AIRPORT TAXI TO & FRO OTHER LOCATIONS	TOTAL
EXECUTIVE MGT	30,000.00	20,000.00	20,000.00	20,000.00	20,000.00	110,000.00
SENIOR MGT	25,000.00	15,000.00	15,000.00	20,000.00	15,000.00	90,000.00
MANAGEMENT	20,000.00	10,000.00	15,000.00	20,000.00	15,000.00	80,000.00
SENIOR EXECUTIVE	15,000.00	10,000.00	10,000.00	20,000.00	15,000.00	70,000.00
JUNIOR EXECUTIVE	15,000.00	10,000.00	10,000.00	20,000.00	15,000.00	70,000.00

Local running will **NOT** apply for weekends – (Saturday & Sunday) except where an official trip (e.g. weddings, funeral ceremony, etc.) falls on weekends, which the employee must have been nominated to represent the Company at such event.

## 24.3. INTER STATES/INTER CITY TRANSPORT RATES

These rates shall apply to employees using taxi for business related trips in the absence of pool cars. The office location shall be recognized as the starting point. Receipt must be shown for expense retirements. Where official vehicles are not provided, this table will apply.

No.	Route - Description	Rate (=N=)	To & Fro	Feeding	Total Amount
1	- to & fro Abeokuta	20,000.00	40,000.00	6,000	<b>46,000</b>
2	- to & fro Shagamu	15,000.00	30,000.00	6,000	<b>36,000</b>
3	- to & fro Mowe/Ibafo/Redeem Camp	10,000.00	20,000.00	6,000	<b>26,000</b>
4	- to & fro Ibadan	25,000.00	50,000.00	6,000	<b>56,000</b>

#### 24.4. OVERSEAS TRAVEL (USD)

<u>STAFF GRADE</u>	<u>OLD ACCOM. RATE</u>	<u>FEEDING</u>	<u>LOCAL RUNNING</u>	<u>NEW ACCOM. RATE</u>	<u>TOTAL</u>
EXECUTIVE MANAGEMENT	160.00	100.00	80.00	200.00	<b>380.00</b>
SENIOR MANAGEMENT	140.00	80.00	70.00	170.00	<b>320.00</b>
MANAGEMENT	120.00	60.00	60.00	140.00	<b>260.00</b>
SENIOR EXECUTIVE	100.00	50.00	40.00	120.00	<b>210.00</b>
JUNIOR EXECUTIVE	80.00	30.00	30.00	100.00	<b>160.00</b>

#### 26. SUMMARY OF BENEFITS PER LEVEL:

Applicable
Not Applicable
With terms & Conditions

S/N	BENEFITS	Non-Graduates	Junior Executives	Senior Executives	Management	Senior Management	Executive Mgt.
1	Car Grant					Official Car Applies with terms & conditions (T&C)	
2	Annual Satellite Cable subscriptions						T&C not applicable.
3	Annual House Rent Subsidy						

S/N	BENEFITS	Non-Graduates	Junior Executives	Senior Executives	Management	Senior Management	Executive Mgt.
4	Club Memberships						
5	Sales Commission						
6	Staff Dividends						
7	Solar Energy Grant						
8	Health Insurance	Employee, Spouse + two dependents			Employee, Spouse + Four Dependents		
9	13 <sup>th</sup> Month						
10	Long Service Pay						
11	Engineering Commission						
12	OEM Incentives						
13	Monthly Internet Palliatives						
14	End of year Christmas gifts & vouchers						
15	Leave Allowance						
16	Leadership Program						
17	Executive Leadership Program						
18	Hybrid Work						
19	CSR Supports						
20	Official Business Travels & Estacodes						
21	Finders Fees						

S/N	BENEFITS	Non-Graduates	Junior Executives	Senior Executives	Management	Senior Management	Executive Mgt.
22	Childbirth grant						
23	Wedding grant						
24	Bereavement Grant						

## 27. MODIFICATION OF THIS POLICY DOCUMENT

The Executive leadership of SATH in conjunction with the Remuneration Committee reserves the right to modify this Total Rewards Policy based on business and economic realities. Changes to the Policy will be communicated to all employees accordingly through the Human Resources Department.