



INTRODUCTION

You are welcome to UGEE Chemicals Limited. Whatever job you do, you are an important member of the large family of people whose work and commitment have led to the growth and success of the organization. Our aim is to provide security of employment in pleasant work environment where people will contribute to company goals and also realise their full career potentials. At UGEE Chemicals, we offer progressive careers opportunities and prospects of promotion based on merit.

To assist employees of the company to understand the general policy in relation to its staff, this employee handbook amongst other policies and procedures contains the general conditions of employment, rules and regulations, general guidelines on work rules and other issues relating to the company for the time being under which you have been employed.

It is necessary for all staff to read and understand this Handbook and to realize that failure to comply with its provisions will not only hinder the progress of the company but it will also affect employee's career and attract consequences for breaching them.

CHANGES IN CONDITIONS OF EMPLOYMENT

This Handbook does not create any form of contractual obligation either expressly or impliedly, but simply provides you with convenient explanation of present policies and practices, rules and regulations currently in force in the company. The Handbook is a guideline and it does not cover every matter that might arise in the workplace. For this reason, specific questions regarding the applicability of a particular policy or practice should be addressed to the Human Resources Department.

The company reserves the right to amend or modify any of its policies or procedures, including those covered in this Handbook at any time. And when that happens, the company will notify employees by posting the changes on the notice board. Upon appointment, new employees will be required to sign an acceptance of their terms and conditions of employment as contained in this HANDBOOK.



1.0 GENERAL CONDITION OF EMPLOYMENT, POLICIES AND PRACTICES

1.1 Probation & Confirmation of Appointment

All new employees shall undergo a compulsory probation period of 6 months. The expected level of performance during probation shall be communicated to the employee by the supervisor. Upon successful completion of the probation, the employee will be confirmed. Where the employee's performance is below the expected standards, the probation period may be extended for a period not exceeding three months. After the expiration of the extended period, the employee shall be re-appraised, and the company will take a decision either to confirm or disengage the employee. During the probation, either party may terminate the employment by giving just two weeks' notice or two weeks salary in lieu of notice.

1.2 Working Hours/Schedule

Every employee shall work for a minimum of forty (40) hours per week consisting of five days, Monday to Friday from 8am to 5pm daily. For employees in the production plants, the work schedule is 40 hours per week, Monday to Sunday with off days, depending on the shift structure that is operational at each location and such other flexible work schedule that the company may adopt as exigencies of company operation may dictate.

1.3 Overtime/Extended Work

The company will ensure that employees do not engage in excessive hours of work, when the need arises, employees will be required to put in extra hours to ensure specific work assignments are completed on time. When this happens, the company shall pay applicable overtime rates to employees as follows:

- (a) Monday to Saturday – Time and half (x 1.5)
- (b) Sundays and public holidays – Double time (x 2)

Please note that overtime does not apply to Management and office-based non-Management employees.



1.4 Attendance & Punctuality

Employees should report to work on time, ready to discharge their duties and responsibilities as contained in the job description. Frequent absenteeism or lateness puts an unnecessary strain on your co-workers and can have a negative impact on the success of the Company. This will result in disciplinary action.

1.5 Absence from Duty

Any employee that fails to show up at work before noon on a particular work day without prior approval from his supervising manager shall be considered as absent on that day and shall attract pay deduction. However, Where an employee has been absent for five consecutive days without prior approval, he will be deemed to have abandoned his job and his employment shall be terminated by the Company. Where absenteeism is due to illness, the sick employee should immediately communicate this to his/her supervisor and all sickness related absenteeism must be supported by a report from a medical doctor.

2.0 ANNUAL LEAVE/VACATION

The company believes that leave is beneficial to the health of its employees and should be taken within each calendar year for rest and recuperation.

2.1 Annual Leave Entitlement

Annual Leave entitlement for staff ranges from 15 to 25 working days, depending on the job grade.

Annual leave allowance shall be 12% of employee's annual basic salary, and will be paid only when annual leave is due and taken. New hires are not entitled to both annual leave or leave allowance until they are confirmed and have put in a minimum of 12 months service in the company.

Leave utilisation by employees must conform with departmental or company approved programme of activities for the year, and employees proceeding on leave should get the approval of their line managers. If an employee does not report to work after the expiration of an approved leave period, the overstayed days shall be considered as absenteeism.



Annual Leave calendar runs on January-December basis, and an employee who did not utilize his earned leave in any calendar year for obvious work-related reasons, may utilize same latest on or before 31st of January of subsequent year, after which such employee may forfeit the leave entitlement for that year, except where the company grants further extension to the employee to utilise the leave at a later date.

The company will observe all public holidays declared by the Federal Government of Nigeria, and any leave falling on a public holiday will be added to employee annual leave.

In addition to annual leave, the following leave should apply and details are contained in company Leave policy:

- Casual leave
- Maternity Leave
- Compassionate leave
- Sick leave

3.0 PAYMENT OF SALARY

Salaries, allowance and other financial benefits payable to an employee shall be set out in the employee's offer letter, and in such other pay increment advice that may be received by the employee from time to time. The pay date shall be 25th of every month. However, where the date falls on a weekend, the pay date shall be the first working day of succeeding week. In the month of December, salary shall be paid on or before the 18th day of that month.

The source document for preparing monthly payroll shall be staff attendance records extracted from daily biometrics clogging machine. Payment of salaries and other allowance due to the employees will be paid through a transfer to their salary accounts at designated banks.

4.0 END OF SERVICE

Exit from the company may take any of the following form:



4.1 Resignation

A confirmed employee who wishes to resign from the company shall give one month notice or one month salary in lieu of notice. However, the Company reserves the right to reject such notice of resignation or payment in lieu where the employee:

- Is involved in an incident within the Company in a pending investigation
- is on suspension.
- has a case before disciplinary committee

4.2 Retirement

The Company's retirement age shall be 60 years. An employee may opt for early retirement if the employee has spent up to 10 years of continuous service in the company and has attained the age of 50 years.

4.3 Termination

The Company reserves the right to terminate the employment of any staff whose service is no longer required or who violates the company's rules and regulations.

4.4 Surrender of Company's Property

Irrespective of any form of exit from the company, employees must surrender all Company's property in their possession including his identity cards, laptops, office keys, company cars etc.

5.0 PENSION SCHEME

The Company operates a contributory pension scheme in accordance with the Pensions Reform Act as amended.

The Company contributes 10% while 8% is deducted from the employee's salary as his/her own contribution in line with Pension Act.

The contributions are remitted to staff chosen Pension Fund Administrator (PFA's) on behalf of the employees, and the company will ensure prompt remittance of employee monthly pension.



6.0 END OF SERVICE PAYMENT

The Company shall pay the following end of service benefits as applicable if an employee separates from the Company or the Company dispenses with the service of an employee.

Service Duration	Applicable Benefits
Less than 5 years in service	Not qualified for end of service benefits
5 Years to less than 10 years	5 weeks' pay for every completed year of service
10 years to less than 15 years	5½ weeks' pay for every completed year of service
15 years to less than 20 years	6½ weeks' pay for every completed year of service
20 years to less than 25 years	7½ weeks' pay for every completed year of service
25 years and above	8½ weeks' pay for every completed year of service

7.0 REDUNDANCY

A redundancy would occur where an employee is affected by loss of job due to plant shut down or restructuring within the company. Where redundancy occurs, the company will formally communicate this to affected employees. The following redundancy severance pay shall apply:

- 3 months' notice or basic salary in lieu of notice
- 5 weeks basic salary for every completed year of service

Redundancy pay will not be considered in the following circumstances:

- Employee Resignation
- Employee separation due to gross misconduct
- Employee on or returning from any form of Leave of absence

Redundancy pay and End of Service benefit (gratuity) are mutually exclusive and cannot be paid concurrently. In case of redundancy, the higher of the two will be applied.

8.0 Group Life Insurance

In compliance with provisions of Pension Reforms Act 2014, the company shall provide Group Life Insurance cover to all full-time employees to the tune of 3 times the employees annual total emolument, in case of death.



8.1 Compensation for Workplace Injury or Illness

In compliance with the provisions of Employee Compensation Act 2010, the company will contribute 1% of employee monthly emolument to Nigeria Social Insurance Trust Fund (NSITF) to cover workplace related industrial injury or illness.

9.0 Employee Records

On engagement, employees will be required to complete personnel history form with the following details- full names; date of birth, permanent home address; marital status; names of spouse and dependant children; bank account details and next of kin etc. Any changes to employee relevant personal data must be communicated in writing to the Human Resources within a reasonable time of such change.

9.1 Use of Company's Name, Logo & Assets

UGEE Chemicals name, logo and reputation are corporate assets and shall only be used strictly in furtherance of the Company's business. The Company prohibits the use of its letterhead and other Company materials for personal correspondence. Such assets include physical property, business plans, intellectual property etc. Copying, selling, distributing or misuse of these assets is strictly prohibited.

9.2 Unauthorised Activities

Unauthorized activities like gambling, betting, touting and personal sale of goods are prohibited in the Company's premises. No collection or thrift contribution may be made unless the consent of the Company has been sought and obtained.

9.3 Safety Accident Rules & Prevention

Safety is a joint venture at UGEE Chemicals Limited. We strive to provide a clean, hazard-free, healthy, and safe environment in which we work, and we make every effort to comply with all relevant health, safety and security (HSE) laws and regulations. As an employee, you have the duty to comply with rules of the Company, and you are expected to take active part in maintaining hazard-free environment. You must observe all safety rules, adhere to all safety instructions provided by your supervisor as well as use safety equipment where required. You are also expected to report any accident, injuries –



including any breaches of safety; and to promptly report any unsafe equipment, working condition, process or procedures to your supervisor. Failure to comply with Company safety and accident rules may result in disciplinary action.

9.4 Freedom of Association

The company recognizes, respects and protects the rights of its employees to freely associate.

9.5 Removal of Materials

No material or finished goods of any sort shall be taken out of the company's premises without a written pass signed by the management of the company or a security personnel acting on its behalf.

10.0 DISCIPLINARY PROCEDURE

To maintain a standard of conduct that reflects the company's value, the company will put in place appropriate disciplinary procedure where an employee's misconduct warrants it. Disciplinary issues will include allegations and or complaints made against a staff, a breach of company policies including unsatisfactory performance. All allegations of misconduct or breach of company rules and regulations will be investigated by the company. The following disciplinary actions may be taken against any employee found guilty of misconduct under this policy:

10.1 Verbal Warning

This is issued by the immediate supervisor, or manager for a first or minor misconduct. This should be recorded in the employee's personal file by the Human Resources Department after a note to that effect, would have been received from the employee's department.

10.2 Written Warning

This is issued as a reaction, or reply to unaccepted explanation to a query or report against an employee for a specified misconduct. In all cases, Departmental Manager shall report any case of misconduct of employee in writing to the Human Resources who would issue



a query, after conducting its own independent investigation and confirming that written warning is justified.

A copy of the first written warning is kept in the file, but will be disregarded for disciplinary purposes after six months of employee's satisfactory conduct.

10.3 Final Written Warning

A final written warning is given if the offence is sufficiently serious or if there is an unspent warning already in the employee's file. It gives details of the complaint and the improvement required.

The warning also should state that if there is a repeat of such or similar misconduct, or if following review, there is continued unsatisfactory conduct, the employee is likely to be dismissed.

A copy of the final written warning is kept in the employee's file, but will be disregarded for disciplinary purposes after twelve months of sustained satisfactory conduct.

10.4 Suspension

Suspension is not automatic or in itself, a disciplinary action.

The company may, at its discretion, suspend an employee with or without pay when a prima facie case has been established against the employee pending investigation and outcome of a formal disciplinary proceeding. Such a suspension shall not exceed thirty (30) days.

10.5 Termination of Employment

An employee may be terminated where his/her continued stay is considered detrimental to the company. Where the company takes a decision to terminate an employee's appointment, he or she shall receive applicable final entitlements.

10.6 Summary Dismissal

Gross misconduct is regarded as a fundamental breach of contract that makes employee continued stay with company impossible. Where it is determined that an employee has committed serious or gross misconduct, such employee shall be summarily dismissed, that is without prior warning or notice. Examples of gross misconduct include but not limited to the following:



UGEE Chemicals Limited Employee Handbook - Jan 2021

- Dereliction of duty
- Falsifying any of the company's records or aiding and abetting
- Stealing or aiding and abetting
- Drunkenness and drug addiction
- Malicious damage to company property
- Conviction for any criminal act
- Disobedience to lawful orders
- Sleeping on duty
- Unauthorised absence from duty
- Fighting while on duty
- Sexual harassment
- Disclosure of confidential information
- Acceptance of private commission
- Smoking in the office or other prohibited areas etc.

The list of gross misconduct is inexhaustive. Any act likely to endanger the company's property, operation or well-being and safety of others, may constitute serious or gross misconduct. Without prejudice to the provisions of this policy, an employee found guilty of any criminal offence by a court of competent jurisdiction shall be dismissed.

10.7 Equal Employment Opportunity

UGEE Chemicals Limited is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race, religion, colour, sex or any other status protected under the law. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices.



**UGEE Chemicals Limited
Employee Handbook - Jan 2021**

ACKNOWLEDGMENT Receipt

I hereby acknowledge that I have received a copy of UGEE Chemicals Limited Employee Handbook.

That I clearly understand that I have a responsibility to read, understand and abide by all the terms and conditions of employment, as well as rules and regulations contained in this Handbook.

I affirm that I was not in any way forced or induced against my wish to sign this acknowledgement.

I also agree that the company has the right to change or modify any provision of this Handbook at any time, and that I will be bound by any of such changes.

Employee's Full Name:

Employee's Signature:

Date:

Designation: