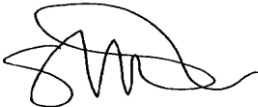


Objective:
To outline the standardised procedure and guidelines for employee sickness absence reporting and for the management of sickness absence, with clearly defined responsibilities for all.

This document applies to the employees of CEMEX United Kingdom	CEMEX UK Sickness Absence Policy
	Related Documents: UK Sickness Absence Administration Process Sickness Absence Management Guidelines

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AUTHORISATION: UK HR Director	Stephanie Horn 

Purpose

This policy aims to minimise the disruption caused by employee absence by setting clear guidelines on absence notification. The policy is intended to minimise the adverse impact upon the Company's employees and business caused by sickness absence and to enable those responsible for workforce planning and contingency planning to understand the reason for employee absence by requiring absent employees to regularly communicate with the Company during periods of sickness absence.

The policy is also intended to enable the Company to assist employees to return to work from any period of sickness absence as soon as they are able and it is safe to do so.

The policy is also intended to assist first line supervisors and managers to manage sickness in a fair, consistent, non-discriminatory and effective way.

Scope

The policy applies to all CEMEX UK business units and all CEMEX employees, except where the provisions of a collective agreement apply.

Objectives

CEMEX understands that from time to time employees may become unwell and unable to attend work. However, it is essential that all episodes of sickness absence are properly notified to the Company and standard administrative processes for recording sickness absence are followed to:

- properly attend to employee welfare issues at the most appropriate time to do so
- enable the Company to administer Statutory Sick Pay and Company Sick Pay
- adequately monitor and address sickness absence on a fair and consistent basis
- allow accurate management reporting and analysis
- enable effective workforce and work load planning
- minimise the non-productive cost to the Company of sickness absence

Guidelines

1. Minimum Notification Requirements

Employees who are absent from work due to sickness or injury must personally telephone their line manager, unless they are physically unable to do so, at their earliest opportunity OR within one hour of their usual start time, on their first day of absence to notify them of:

- the reason for absence; and
- the likely duration of the period of sickness absence; and
- expected return to work date

(this is a minimum requirement unless more detailed local rules are in place).

If the line manager is unavailable it is acceptable to leave a voice mail message with the minimum details specified for the purpose of absence reporting, providing that a contact telephone number is also supplied so that the line manager can return the employee's call.

Employees are expected to telephone their line manager in person and only in exceptional circumstances should someone else report the absence i.e. if the employee cannot speak or is seriously injured, hospitalised or is extremely unwell. Common ailments such as colds and 'flu' will not be accepted as incapacitating an employee to the point that they cannot make a brief telephone call.

It is not acceptable for employees to use text messaging, email or social networking sites to notify their line manager that they are not able to attend work. Any sickness absence notification by these methods will not be accepted as notification and the sickness absence will be considered as unreported within the scope of this policy.

Employees must keep their line manager regularly informed during their absence. As a minimum once weekly personal contact by the absent employee will be required during any period of sickness absence unless it is agreed in advance with the Company that that is not necessary due to the nature of the cause of the absence.

If an employee fails to notify their manager of their absence the line manager must make attempts to contact the employee to ascertain the reasons for absence.

It is not acceptable for an employee to inform a colleague of their absence as an alternative to informing their line manager.

The payment of Company Sick Pay is conditional upon full compliance with the absence reporting requirements set out above.

The minimum absence notification requirements of this policy are a contractual obligation on employees of the Company and failure to comply with the minimum requirements could result in disciplinary action and/or a loss of Company Sick Pay.

2. Certification Requirements

In the case of absences of up to seven consecutive calendar days the employee must complete a self-certification form on their return to work. For absences lasting more than 7 consecutive calendar days, the employee must provide a properly completed medical certificate (Statement of Fitness for Work Form - Med 3) signed by a medical practitioner stating the reason for their absence. Employees who are sick for periods of more than seven days may also provide medical certificates issued by a medical practitioner in private practice. Any private sickness absence certificate must be issued by a medical practitioner authorised to practice in the United Kingdom and registered with the General Medical Council or other recognised professional body governing the practice of medical practitioners in the UK.

If a period of absence extends beyond the date or length of time stated on the medical certificate, additional certificates must be provided to run continuously for the period of the absence.

It is the employee's responsibility to obtain a medical certificate and follow up medical certificates and send them to their line manager without delay. The Company understands that in exceptional circumstance an employee might be too ill to attend an appropriate medical practitioner to obtain a follow-on medical certificate. In that situation the employee should take reasonable steps to arrange for the medical practitioner to visit them and if that is not possible the employee must contact their line manager to explain the situation.

If the notification and certification requirements are not met, the Company will be entitled to treat the absence as an unauthorised absence, which could lead to disciplinary action being taken against the employee under the Company's disciplinary procedure and may also adversely affect the employees' entitlement to Company Sick Pay.

Photocopied medical certificates will only be accepted for those employees who have exhausted their entitlement to Company Sick Pay and Statutory Sick Pay that is paid by the Company.

3. Unauthorised Absence

The Company reserves the right to withhold payment or deduct a day's pay from an employee's salary for each day of unauthorised absence. Employees may be subject to disciplinary action under the Company's disciplinary procedure (up to and including summary dismissal) for any unauthorised absence and could be held to be in breach of their contractual obligation to provide their labour to the Company and in reporting and certifying their sickness absence within the scope of this policy.

"Unauthorised absence" constitutes failing to turn up for work at the appropriate time, unless the absence is due to:

- Sickness which has been notified to the Company in accordance with this policy; or
- Leave for which prior written permission has been granted by the appropriate person;
or
- Non-blameworthy reasons outside the employee's control which are acceptable to the Company retrospectively.

In all cases during sickness absence the Company expects employees to do their utmost to facilitate a speedy return to fitness and work. In the event that an employee does something to retard their recovery or fails to do something that could speed their recovery, including failing to act on medical advice, the Company reserves the right not to pay Company Sick Pay.

4. Medical Examination & Reports (Occupational Health and Medical Practitioner reports)

The Company may request an employee's permission for them to undergo a medical examination and for the Company to receive a medical report via the Company's Occupational Health support, from an employee's GP or medical specialist or from a medical specialist identified by the Company regarding conditions and reason for sickness or injury absence within the parameters of the Access to Medical Reports Act 1988.

Employees are not obliged to provide the Company with their consent as a matter of law but where permission is not provided or refused the employee will be informed that a decision relating to their employment may be made without the benefit of that information. Additionally the Company could draw an adverse inference regarding the refusal to give consent.

5. Company Sick Pay

Company Sick Pay is intended to supplement statutory sick pay and is a generous benefit the Company is not obliged to offer by law. Employee terms of employment set out the maximum period of Company sickness benefit over a specified period of time and for any one continuous spell of sickness absence.

Any Company Sick Pay that an employee may receive will be deemed to include statutory sick pay and/or any payment to which the employee is entitled under any social security scheme (whether or not claimed by the employee) in respect of their sickness or injury.

Where the employee's entitlement to Company Sick Pay is exhausted no further payments of Company Sick Pay will be made.

The Company at all times reserves the right to withhold, discontinue or request repayment of any Company Sick Pay if:

- The employee fails to follow the Company's absence procedure; or
- The Company is satisfied that there has been an abuse of the sick pay arrangements or misrepresentation of the employee's health; or
- The illness or injury results from abnormal hazards such as, but not limited to, mountaineering or mechanised forms of racing or failure to comply with the Company's Safety Rules; or
- The employee behaves in a way likely to delay, hinder or impede recovery; or
- The employee reports sick directly after, or as a consequence of a suspension, or an instruction to attend a disciplinary hearing if the Company believes that the employee is seeking to evade or prolong the disciplinary process.

Further information on Company Sick Pay can be obtained from the employee's local HR Department.

Abuse of the Company Sick Pay scheme, such as fraudulently claiming sick pay may result in disciplinary action including summary dismissal.

5.1 Elective (Cosmetic) Surgery and Procedures

Company Sick Pay will not be paid when an employee chooses to have elective (cosmetic) surgery and is off work sick as a result. Elective surgery is defined as medically unnecessary surgery that is undergone on a voluntary basis for subjectively considered cosmetic improvement, alteration or modification and shall include any form of surgery undertaken by a medical practitioner (e.g. surgeon, dentist etc.) or any form of piercing or tattooing etc.

All recovery time from elective surgery or procedure should be taken as annual leave if the employee has adequate annual leave entitlement, or a request for unpaid special leave can be made but approval is at the discretion of the line manager. If an employee does not have annual leave entitlement and the request for unpaid special leave is not granted then they could be considered as absent without authorisation during any period of absence from work to undergo or recover from elective surgery or procedure.

If an employee asserts that cosmetic surgery, alteration or modification is in fact medically necessary it will be for them to provide documentary medical evidence of that necessity.

If a medical complication were to arise from the surgery or a procedure and further remedial and medically necessary surgery is required (thus not elective, but necessary surgery), then the additional leave required could be treated as sick leave.

5.2 Phased return to work

Where an employee has returned to work on an agreed phased return to work basis, which involves reduced working hours, the time spent away from the workplace will be classified as sick leave, should be reported in the normal way by their line manager (see section 10) and they will be entitled to Company Sick Pay and Statutory Sick Pay per their terms of employment, subject to the usual qualification criteria applicable to SSP and CSP.

5.3 Other Work during Periods of Absence and Payment of CSP

There is a general presumption that if an employee is either injured or sick and cannot provide their labour to the Company that they will be unable to provide their labour to any third party, for pay or voluntarily, or do work on their own account.

However, the Company recognises that in limited circumstances the cause of absence may prevent the employee working for the Company in their normal job and that alternative work may not be available to the employee within the Company whilst they are able to undertake a different kind of work. For example, an Operative might suffer a broken ankle and be unable to do a manual job and the Company might not be able to offer alternative non manual work to the employee. The employee might be able to do administrative work and provide their services to a third party.

In such a case the employee must inform the Company before they undertake work for a third party, or on their own account, and seek the Company's agreement for them to do so. Such agreement will not be unreasonably refused.

It is also recognised that in some cases part-time employees might have one job with the Company and another job with a third party. In that event an employee too injured or sick

to provide their labour to the Company could only continue to work for the second employer if the nature of that job meant that the cause of sickness absence from the Company would not be reasonably taken to interfere with their ability to do the work of the second job due to the nature of the work.

It should be noted that working in any capacity whilst absent sick from the Company could be considered as fraudulent and dishonest conduct if the nature of the work undertaken for the Company and any other employer, or on the employee's own account, are similar or substantially the same. The similarity or equivalence of work or jobs will not be determined by specific work tasks but by reference to the overall nature of the comparative work.

If permission to work elsewhere or to undertake other work outside the Company during a period of sickness absence is granted by the Company, the payment of CSP will be offset by the employee's earnings from the employment or work concerned. Failure to declare additional earnings during a period of sickness absence could be considered as fraud and dishonesty and could result in disciplinary action including summary dismissal.

6. Statutory Sick Pay

Employees may be eligible for statutory sick pay ("SSP"), which is payable for a maximum of 28 weeks in any period of incapacity to work. SSP is subject to deductions for tax and National Insurance Contributions.

An employee may be entitled to SSP if he/she:

- has average weekly earnings of at least the lower earnings limit for Class 1 National Insurance Contributions;
- is incapable of work for 4 or more consecutive days [including weekends and bank holidays]; and
- is sick on qualifying days, which are usually the employee's contracted days of work.

The first 3 qualifying days are called "waiting days", during which no SSP is payable. SSP only falls due on the 4th and subsequent qualifying days. However, if two or more absences of 4 or more consecutive days occur within 8 weeks (i.e. 56 calendar days or less), they will be treated as linked and will be regarded as a single period of entitlement. The maximum length of SSP is 28 weeks for any one period of entitlement.

The Company reserves the right to investigate an employee's reasons for absence to make payments of SSP if it considers that the employee is not genuinely ill or that their illness or injury does not prevent them from working.

7. Sickness during Annual Leave

Where an employee is genuinely ill or injured during a period of annual leave, the annual leave will cease at that point and the leave period after that point will be credited to the employee's outstanding leave entitlement. In order for this to happen the employee must make a request for their holiday leave to be altered to sickness or injury. This request will be considered providing the following conditions are met:

- Employees must immediately report injury or illness to the Company if they intend to apply for leave arrangements to be altered; and
- In the event that an employee seeks to alter or amend holiday arrangements after a period of annual leave has begun, they must provide medical evidence of the sickness or injury obtained in the location/country where the injury or sickness occurred and that medical evidence obtained after the event or upon return to the UK will probably not be accepted; and
- Only applications to alter or amend holiday arrangements due to substantial or significant injury or illness will be considered; and
- Only the period of holiday ruined by a substantial or significant injury or illness will be considered if such an application is made and not the entire holiday.

Any such request should be authorised by the appropriate business or department director and HR Business Partner.

An employee who is on long term sickness absence will accrue holidays in the same way as an employee who is at work. Those on long term sickness absence are bound by the Holiday Policy just as any other employee. Employees who are absent from work may apply for annual leave. Leave applications will be considered on their merit and will not be unreasonably refused.

Statutory annual leave can be carried over from one year to another in the case of long-term sickness absence. In that event the Company reserves the right to require employees to use their annual leave that accrues during long-term sickness absence within a reasonable period of time once the employee returns to work.

There is no obligation upon the Company to pay for annual leave accrued during long-term sickness absence but not taken.

8. Infectious and Contagious Diseases

Employees who have been in close contact (e.g. with a member of their immediate family) with an infectious disease such as tuberculosis, chicken pox, measles, meningitis or other serious condition that could be passed onto work colleagues, should notify their manager and seek advice from their GP or CEMEX occupational health service on the need to stay away from work. This is especially important if one of their colleagues is pregnant.

If they are required not to attend work as a precautionary measure, or if they are suffering from an infectious or contagious disease employees must follow the usual procedures for sickness absence. If advised to refrain from work, employees cannot return without clearance from their GP or CEMEX occupational health service.

9. Management of Employee Absence

It is CEMEX policy to support employees who are genuinely sick and unable to come to work. In order for CEMEX to provide this support employees are required to keep the Company informed regarding their progress and anticipated return to work, and to allow their manager to make appropriate contact with them where this is considered necessary.

In the main employee absence from work due to illness or injury is likely to be genuine. Nevertheless, absence is an unproductive cost to the Company and managers will take

appropriate and fair action to minimise it where it is possible to do so. Even genuine absence must be addressed appropriately including the application of the Company's disciplinary procedure to address problematic absence.

It must be remembered that the Company employs people and people do become ill and do get injured. Therefore some illness/injury absence is to be expected. It is also possible that a minority of employees could abuse the Company's generous Sick Pay Scheme and it is for a manager/supervisor to apply their experience and knowledge in such cases and to take appropriate remedial action upon advice from the HR representative.

10. Return to Work Meeting

On the employee's first day back from absence (or at earliest opportunity), regardless of the duration of the absence or whether or not the period of absence has been covered by a medical certificate, employees will be required to meet with their line manager for a Return to Work meeting.

The purpose of the meeting is to

- Welcome the employee back and to ensure they are fit for work with or without restrictions.
- Identify restrictions that may be present upon the employee.
- Confirm the reason for absence and length of absence.
- Identify and address any problem (work-related or otherwise) that may be causing or contributing to the absence.
- Discuss any remedial measure that might be necessary and reasonable to make
- Discuss and/or identify any reasonable adjustments that the Company might need to make to assist disabled employees.

The details of the discussion will be recorded by the line manager on the Return to Work Meeting Form.

If an employee provides a medical certificate which states that they may be able to return to work, subject to certain conditions, the line manager should ensure this information is documented on the Return to Work Meeting form and that page two of the form is fully completed.

The Company is not bound to meet the conditions documented on the medical certificate and if following full assessment the Company is not reasonably able to make the adaptations or adjustments to help a return to work, then the reasons for this will be explained and the medical certificate will be used as if the doctor had advised 'not fit for work'.

There should be a self-certificate or medical certificate to cover all the days of sickness absence that have been recorded on the Return to Work Meeting Form. Where a medical certificate has been provided, it is quite likely that the first few days of absence will not be covered, in which case the employee must complete a self-certificate for these days. If the Return to Work Meeting Form is signed by the employee, then this can also be used as the self-certificate and no separate form is needed (this does not apply to those employee's in Cement Operations where a current agreement exists that an individual Self Certification and Return to Work Meeting Form need to be completed and submitted).

Line Managers and Time Administrators must send completed Return to Work meeting forms and medical certificates to the HR Administration team.

11. Recording Absence

Responsibility for recording the dates of sickness absence in the payroll system varies, depending upon local arrangements and the length of absence.

Responsibilities for Recording Absence

Line Managers

- Line Managers are responsible for ensuring that they comply with their local procedure for recording absence and their direct reports are also fully aware of these procedures and comply with them.
- In addition to conducting a Return to Work meeting and ensuring that the employee has supplied the correct certification, in the majority of cases, the line manager is also responsible for entering the dates of their employee's sickness absence into SAP using the transaction CAT2.
- For very short periods of absence (one or two days) some parts of the business require the employee to enter their own sickness into SAP, in which case the line manager is responsible for checking that the information in SAP is present and correct.
- Other parts of the business have SAP Time Administrators who input the employee's absence into SAP on behalf of the line manager. In this case, it is the line manager's responsibility to ensure that the Time Administrator is promptly notified of an employee's absence and the Return to Work meeting form and medical certificate(s) are forwarded to the Time Administrator without delay.
- For long term absences (30 calendar days or more) the line manager should send paperwork directly to the HR Administration team. They will complete the details in SAP on the line manager's behalf to ensure that the correct amount of sick pay is paid.
- If the line manager is asked by the HR Administration team to correct an absence entry, for example if the wrong absence code has been used, this must be done immediately. A delay could mean that the employee is paid incorrectly.

SAP Time Administrators

- Ensure that sickness absence dates are recorded in SAP and
- Return to Work meeting Forms and self/medical certificates are forwarded to the HR Administration team without delay.
- If a Time Administrator is asked by the HR Administration team to correct an absence entry, for example if the wrong absence code has been used, this must be done immediately. A delay could mean that the employee is paid incorrectly.

HR Administration

- Check the sickness absence codes entered into CAT2 by employees, line managers and Time Administrators.

- Record the dates of sickness absence in the payroll system for long term sickness of thirty days or more
- Record the sickness absence type in the payroll system for all episodes of sickness
- Ensure that employees are paid the correct amount of sick pay
- Track sickness absence, sick pay and paperwork using Sickness Absence Trackers
- Advise employees if they are nearing their full entitlement of Company/statutory sick pay and issue SP1s

HR Business Partners

- Review the UK Sickness Absence Report and Long Term Sickness Tracker monthly to ensure that sickness absence is properly managed.
- Support the HR Administration team by giving feedback to the business about line manager compliance.

12. Compliance

All employees, managers and supervisors have responsibility for ensuring conformance with this policy. Interpretations of this policy should be referred to the UK HR Director. Managers and supervisors do not have authority to approve deviations or exceptions to this policy.