

Disciplinary & Dismissal Procedure

The Company expects the highest standards of attendance, performance and conduct from its employees and requires them to act with integrity and professionalism at all times when representing the Company.

This procedure applies to all employees of the Company and its aim is to ensure consistency and fairness of treatment and to provide help and encouragement where attendance, performance or conduct fails to meet the required standards.

Whilst this procedure is not contractual, it should be followed wherever possible. This Procedure will be invoked where informal discussions and/or coaching with the employee have been unsuccessful, or are considered inappropriate, in a given case.

Principles in Relation to Disciplinary matters

The following principles will generally be applied to disciplinary matters:

- No disciplinary decision/action will be taken until the matter has been investigated (where required) as far as is reasonably practicable
- At every stage of the procedure the employee concerned will be advised of the nature of the complaint against him/her and given an opportunity to put forward his/her side of the matter before a decision is made
- The employee concerned has the right to be accompanied by a work colleague or accredited trade union representative at a Disciplinary Hearing
- Depending on the circumstances and the seriousness of the issue, one or more of the early stages of disciplinary action may be omitted
- The outcome of the Disciplinary Hearing will be advised or confirmed in writing
- The employee concerned will have the right to appeal against any decision made

Suspension

The Company reserves the right to suspend an employee on full pay pending the outcome of an investigation and/or Disciplinary Hearing. The suspension is not a disciplinary penalty, carries no implication of guilt, and may not be appealed against. The period of suspension will be kept as short as possible. During a period of suspension, the employee concerned may not, unless advised to the contrary in writing, take part in the business of the Company and he/she may not be present on any of the Company's premises, and contact any of its business associates or employees (other than to arrange for a work colleague to accompany him/her at a Disciplinary Hearing).

Disciplinary Investigations

Whether during the course of suspension or otherwise, an employee whose attendance, conduct or performance is being investigated shall promptly and fully co-operate with any disciplinary investigation by responding to all enquiries and attending any meeting(s) called for the purpose.

There is no right to be accompanied during the course of responding to any enquiries or attending any investigatory meetings in this regard.

Notice of a Disciplinary Hearing

The Company will set out in writing the nature of the employee's conduct, attendance, job performance or any other matter which may result in disciplinary action, and send this to the employee beforehand together with an explanation of the basis of the complaint made against him/her. A minimum of 48 hours' notice of a disciplinary hearing will ordinarily be provided.

Where evidence has been obtained from third parties in the form of written statements, either the statements themselves, or a summary of their content will be provided to the employee at the same time as the notice of the disciplinary hearing. The Company reserves the right, however, to conceal the identity of the parties who provided this evidence if it thinks it is necessary or appropriate to do so.

The employee will be invited to a Disciplinary Hearing at a reasonable time and place where the matters can be addressed. The employee concerned must take all reasonable steps to attend.

The Disciplinary Hearing

A Disciplinary Hearing will ordinarily be conducted by the employee's manager or by another manager who is at the same level as, or more senior than, that manager.

The employee may, if he/she wishes, be accompanied by a work colleague or accredited trade union representative at the Disciplinary Hearing. Notes will be taken at the time, and the employee's companion may also take notes if he/she wishes. No other form of recording will be permitted.

The employee will be allowed a full and fair opportunity to state his/her side of events, explain his/her conduct or performance and state any mitigating factors. He/she may do this personally, or the employee's companion (if he/she has elected to be accompanied) may do this on his/her behalf.

The Chair will question the employee on his/her evidence. Although the employee may confer with his/her representative at any time during the hearing on request, the Chair has the right to ask the employee personally to answer any questions put to him/her.

Depending on the circumstances, any investigator who has been involved in the matter may be called to attend the Disciplinary Hearing to take those present through his or her report. The investigator will then withdraw.

Either at the Disciplinary Hearing or as soon as possible afterwards, the Chair will express his or her decision clearly, explain the reason(s) and advise the issue of any level of disciplinary action and of the employee's right of appeal. The Chair will confirm the decision in writing. That confirmation will set out the Disciplinary action taken, the reasons, and the employee's right of appeal (and how and when this may be exercised).

Levels of Disciplinary Action

There are four levels of disciplinary action that may be taken. Disciplinary action will normally be taken at a lower level for minor offences, and at a higher level for serious offences or in cases where disciplinary action at a lower level has already been taken in relevant circumstances. However the Company reserves the right to invoke a higher level of disciplinary action (including Level 4) where this is justified by the circumstances concerned.

The levels of disciplinary action are:

1. Verbal Warning

A note of the warning will be kept on file but will be considered spent and disregarded for disciplinary purposes after six months, subject to satisfactory attendance, conduct and job performance being achieved and maintained.

2. First Written Warning

If the offence is serious or if insufficient improvement has been achieved and maintained in relation to an employee's attendance, conduct, job performance, or if a further offence of a similar kind occurs during the currency of a previous warning, then consideration to disciplinary action at this Level 2 will be given. This will give details of the complaint, the improvement required and the timescale over which that improvement must be achieved and maintained. A copy of the warning will be kept on file but will be considered spent and disregarded for disciplinary purposes after twelve months.

3. Final Written Warning

If the offence is very serious or if insufficient improvement has been achieved and maintained in relation to an employee's attendance, conduct, job performance, or if a further offence of a similar kind occurs during the currency of a previous warning, then consideration to disciplinary action at this Level 3 will be given. This will give details of the complaint, the improvement required and the timescale over which that improvement must be achieved and maintained. A copy of the warning will be kept on file but will be considered spent and disregarded for disciplinary purposes ordinarily after twelve months.

4. Dismissal

If insufficient improvement has been achieved and maintained in relation to an employee's attendance, conduct, job performance, or if a further offence of a similar kind occurs during the currency of a previous warning, then consideration will be given to disciplinary action at this Level 4 provided that the manager making such consideration has taken into account any views expressed in the matter by a member of the Board of Directors.

Gross Misconduct

Certain types of behaviour are so serious that they will normally be regarded as Gross Misconduct and, as such, would render the employee concerned liable to summary dismissal. In this instance, the employee concerned will only be paid

his/her salary and any outstanding holiday pay up to and including the date of dismissal (less any deductions which may lawfully be made). No further monies will be due, and all of his/her contractual benefits will cease on that date.

The following is a list of the kind of offences which the Company considers serious enough to amount to Gross Misconduct. This list merely sets out examples, and must not be regarded as exhaustive.

- Actual or attempted theft from or dishonesty in relation to the Company, its employees, customers, suppliers or contractors (including unauthorised copying of copyright material)
- Other offences of dishonesty
- Unauthorised possession or removal of, or misuse of, or damage to, property belonging to the Company, its employees, customers, suppliers or contractors
- Falsification or the entering of incorrect information or data on timesheets, sickness claims, expense claims or accounting and other documents
- Serious breach of security rules
- Breach of the Company's policies and procedures in relation to health and safety at work (e.g. dangerous misuse of machinery or equipment) which causes – actually or potentially – a risk to the health and safety of others at work, or at a work-related occasion)
- Gross negligence
- Fighting, threatening or abusive behaviour at work or at a work-related event
- Gross insubordination
- Rudeness or other offensive conduct towards customers or colleagues where this is underserved
- Refusal or a failure to comply with a reasonable lawful instruction
- Refusal or failure to comply with all applicable statutory or regulatory

requirements

- Possession custody or control of illegal drugs or unauthorised weapons on Company premises or elsewhere on work-related matters
- Attendance at work or presence on work premises under the influence of alcohol or non-medically prescribed drugs
- Conviction of a criminal offence which affects the employee's ability or suitability to continue in his/her role and/or in the Company's employ
- Unauthorised disclosure of confidential information
- Breach of the Company's policies and procedures in relation to IT and or Communications
- Breach of the Company's policies and procedures in relation to equality of opportunity at work and/or harassment
- Accepting a gift which may reasonably be construed as a bribe

Disciplinary Appeals

An employee has the right to appeal against any level of disciplinary action.

Notice of any appeal must be made in writing to the Employee-Relations Consultant and sent to ensure that it is received within five working days of the date of the Company's letter advising or confirming the disciplinary action being taken against him/her.

When giving notice of an appeal, the employee should state:

- a) The grounds of appeal; and
- b) Whether he/she is appealing against the finding that he/she has committed the alleged act or acts of misconduct, or against the level of disciplinary sanction imposed; and
- c) The outcome sought

The Company will confirm in writing receipt of the employee's notice of appeal and ask for any clarification needed in relation to the grounds for appeal. Any new

relevant facts will ordinarily be investigated.

Arrangements will be made for the Appeal Hearing to be held as soon as possible afterwards.

The Appeal Hearing will, whenever practicable, be conducted by a more senior manager to the one who decided the Disciplinary Hearing. However, the company may, if it considers it appropriate to do so, ask its Employee Relations Consultant to conduct and decide an Appeal Hearing in any particular instance.

The employee may, if he/she wishes, be accompanied at the Appeal Hearing by a work colleague or accredited trade union representative. Whilst the employee may confer with him/her, that employee will be expected to reply directly to all questions asked of him/her. Notes will be taken at the time, and the employee's companion may also take notes if he/she wishes. The employee's companion may speak when invited to do so.

The senior manager will consider any representations made by the employee, any companion, any investigator, and the manager who conducted the disciplinary hearing and imposed the disciplinary sanction.

The decision on appeal may be:

- To withdraw the disciplinary action taken;
- To substitute disciplinary action at a lower level (but not at a higher level unless further facts and issues have come to light which were not known and considered at the time of the Disciplinary Hearing);
- To uphold the disciplinary action taken.

There is no further right of appeal.

For the avoidance of doubt, any disciplinary action (including dismissal) taken remains in full force and effect unless and until overturned on appeal.

Alternative Dispute Resolution

Entirely without prejudice to the position of anyone concerned in any disciplinary proceedings, the Company may be prepared to consider an informal process for resolving the issues in any particular instance. Further details may be obtained from the Employee Relations Consultant.