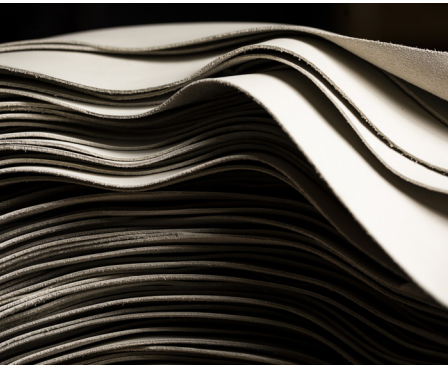


EMPLOYEE HANDBOOK



Revision	Date	Change History
00	29/01/2021	First issue under SLGO
01	01/04/2023	Full review and compilation of company policies into employee handbook



Introduction

This handbook is intended to provide the employees of Scottish Leather Group and any of its subsidiaries (the Company) with any information they may require in respect of their working life. The information within this handbook will hopefully help both employees and the Company fulfil their legal obligations. Should there be anything within this handbook on which you are unclear, please bring it to the attention of your line manager.

We are an equal opportunities employer and do not discriminate on the grounds of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race (including colour, nationality, and ethnic or national origin), religion or belief, sex or sexual orientation.

Using the Company Handbook

This Company Handbook sets out the main policies and procedures that you will need to be aware of while working for the Company. You should familiarise yourself with it and always comply with it. Any questions you may have regarding its contents or what you must do to comply with it should be referred to the HR Team.

The policies and procedures set out in this handbook apply to all employees unless otherwise indicated. They do not form part of the terms of your contract with us, which are provided to you separately. Your contract sets out your job title, hours and place of work, probationary period, salary, holidays and holiday pay, your entitlement to and obligation to give notice to terminate your contract and the duties of confidentiality and restrictions that continue to apply after the termination of your contract.

Responsibility for the Company Handbook

The HR Team has overall responsibility for the Company Handbook and for ensuring that its policies and procedures comply with our legal obligations.

The Company Handbook is reviewed regularly to ensure that its provisions continue to meet our legal obligations and reflect best practice.

You should ensure that you take the time to read and understand the content of this handbook and act in accordance with its aims and objectives. Line managers must ensure that all employees understand the standards of behaviour expected of them, and take action when behaviour falls below those requirements.

Personal data

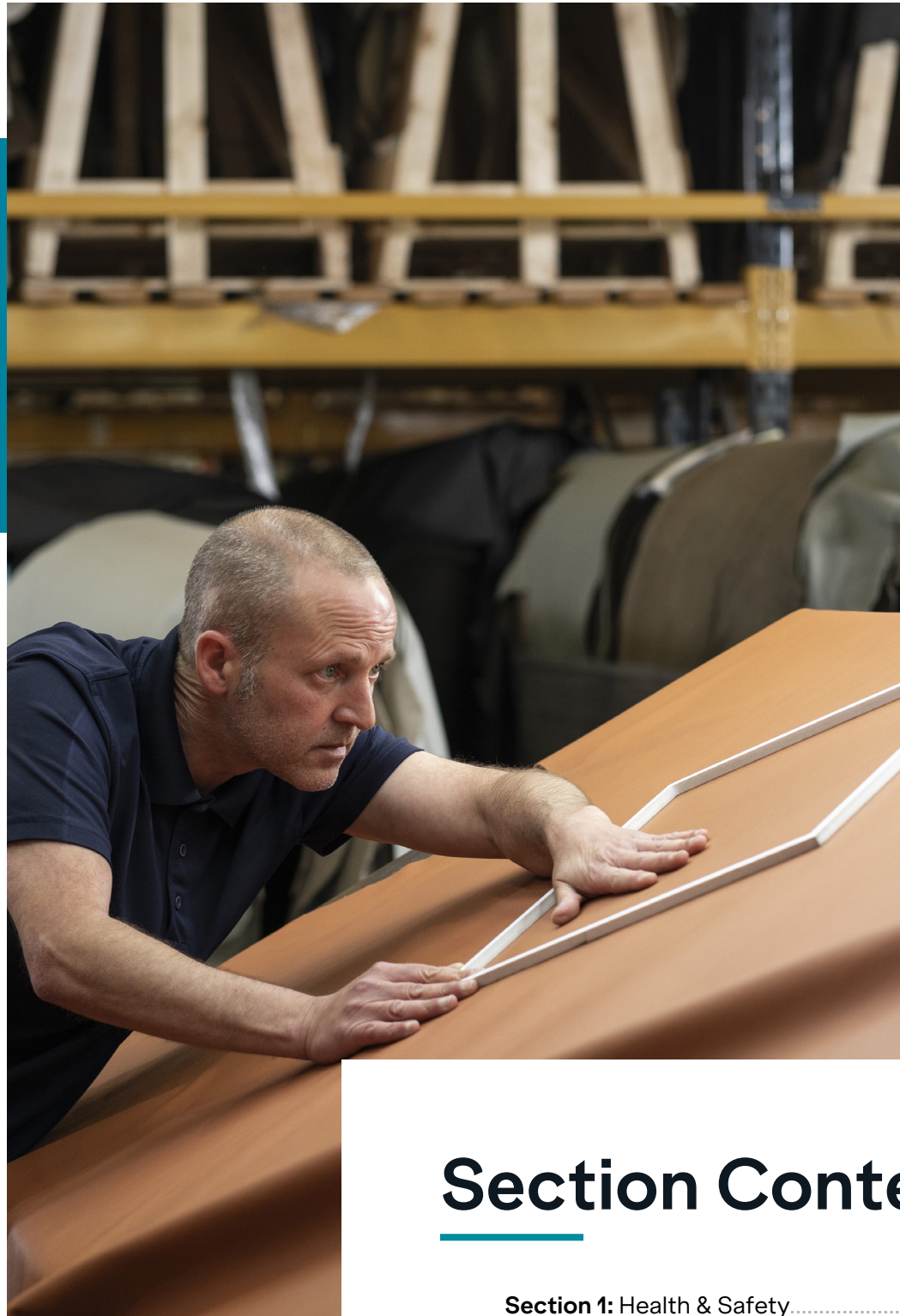
Whenever we process personal data about you in connection with our policies, we will process it in accordance with our Data Protection Policy. We will only process your personal data if we have a lawful basis for doing so. We will notify you of the purpose or purposes for which we use it. Please see the Privacy Notice in this handbook for further information.

Any additions or amendments made to this handbook or to your statement of terms and conditions will be communicated to you.

This Employee Handbook supersedes all other handbooks currently in circulation within the Company.

For further information on company policies and procedures contact your line manager or the HR Team (hr@scottishleathergroup.com).

Once you have read and understood this handbook, you should acknowledge so by digitally signing acceptance within SLG & Me.



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1. INTRODUCTION

It is the duty of all employees to not expose themselves, or any of their work colleagues, to health and safety risks or hazards by acts or omissions. All employees will ensure that they are familiar with the business arrangements for health and safety. All issues and concerns are to be reported, without delay, to their line manager. All policies are held electronically, and a copy of the Health & Safety Policy will be displayed on notice boards.

2. HEALTH & SAFETY POLICY

Health & Safety is integral to, and equal with, any other business function. Daily activities, within the factory and all other parts of the business, are conducted in such a way as to ensure, with every means practically available, the health and safety at work of our employees and others who may visit our business premises.

The implementation, maintenance and monitoring of this Health & Safety policy is the responsibility of the Chief Executive Officer (CEO) of the Company. Competent persons are appointed to assist in meeting legislative and statutory duties including, where appropriate, specialists from external organisations. Day to day management of Health & Safety is the responsibility of the Operational Executive, which includes the Head of Health & Safety.

The Company requires the commitment of every person associated with the business, whether permanent, temporary, contractor, or a visitor to our business premises, to adhere to this policy, its principles, and its objectives.

The Company sets the following principles:

- Control and minimise risk to Health & Safety in connection with any of its operations.
- Prevent injuries in the workplace.
- Ensure that contractors working on its premises, apply the necessary and appropriate Health & Safety practices.
- Maintain fire and emergency prevention measures in detection systems, escape routes and firefighting equipment.
- Plan and prepare for emergencies should they arise.
- Train employees to enable safe working.
- Investigate accidents and incidents, and act in areas where Health & Safety performance requires improvement.
- Ensure that plant and equipment is competently maintained, and is at all times in safe and efficient working order.
- Establish, maintain, and regularly communicate performance and safe working practices with stakeholders and interested parties.
- Maintain an effective system to monitor, review, and improve Health & Safety performance.
- Provide safe and properly maintained plant and equipment, including human ergonomics reviews for display screen equipment (DSE).
- Where necessary, supply Personal Protective Equipment (PPE) which provides suitable and sufficient protection from workplace hazards.
- Safe handling, transport, storage and use of chemicals or biological substances.
- Comply with all legal requirements and obligations in respect of the Health & Safety at Work Act 1974, and Regulations made thereunder.
- Have regard to Approved Codes of Practice (ACoPs) and other guidance material.

Arrangements to achieve these principles are contained in the Integrated Management System (IMS). All employees will be made aware of this policy and have access to the IMS on request.

This policy is reviewed on at least an annual basis, or sooner if required.

3. PROCEDURE IN THE EVENT OF AN ACCIDENT

Accidents or near miss occurrences (no injury but the incident had a potential to injure or worse) at work should be reported immediately to your line manager. Reports and records are made and held electronically. All employees, absent from work following an accident, must complete a self-certification form, which clearly states the nature and cause of the injury or provide a Fit Note from their GP. For any employee who suffers an injury at work which results in them being away from work, or unable to do their normal work, for seven days or more (including weekends, rest days or holidays) it is important that your manager is informed as soon as possible.

4. FIRST AID

Details of First Aid trained staff are displayed at your local Emergency Procedures Information Point and are available from your line manager. You should familiarise yourself with their names and contact details.

5. FIRE SAFETY

Fire Emergency Procedure cards are clearly displayed at your local Emergency Procedures Information Point.

Action to take if you discover a fire:

1. Raise the alarm! This can be achieved by breaking the glass on the call points or by shouting the instruction "Fire, Fire, Fire".
2. Raise the alarm even if your building is fitted with an automatic fire alarm system, which has not yet activated - you must not wait for it to do so of its own accord. The alarm must be raised for every occurrence of a fire, no matter how small it appears to be. This will ensure that people in the building have adequate notice to evacuate should it begin to spread quickly.
3. Call the fire brigade at the earliest available, and safe, opportunity and do not attempt to tackle the fire unless you have been appropriately trained and can safely do so, as you could be putting yourself or others at risk.

Evacuation when the fire alarm goes off:

1. Immediately stop what you are doing and walk (do not run) to the nearest available safe fire exit. If your nearest exit/route is obstructed, choose another route. Make sure that you are aware of the fire exits and routes in your area.
2. Direction signs should indicate the route to your fire exit. These comprise a white arrow on a green background sometimes accompanied by the words 'FIRE EXIT' and a pictogram of a running person. The arrows indicate the direction of the nearest fire exit.
3. Do not use a lift to leave the building - always use designated stairs.
4. Make your way to the appropriate assembly point.
5. Follow the instructions of your designated Fire Warden
6. Once you are at the assembly point you should report to the Fire Warden, so that they can account for the people in their designated area.
7. Do not leave the designated assembly point, or attempt to re-enter the building, until you have been instructed to do so by the Fire Warden.

6. ALCOHOL AND DRUG MISUSE

No person shall:

1. Report or attempt to report on Company premises for any reason whilst impaired due to alcohol or drugs (legal or illegal).
2. Possess, supply, distribute, sell, use, store, consume or misuse alcohol whilst on Company premises.
3. Possess, supply, distribute, sell, use, store, consume or misuse alcohol whilst representing the Company on any other premises.
4. Possess, supply, distribute, sell, use, store, consume or misuse any illegal drug under the Misuse of Drugs act 1971, Psychoactive Substances Act 2016, or listed under any other Scottish or UK legislation whilst on Company premises, or whilst representing the Company on any other premises.

Employees acting as ambassadors of the Company whilst outside of company premises are also covered by these rules, and should ensure their behaviour is appropriate, lawful and does not offend, harass, intimidate, or irritate others present, or in any way brings the Company into disrepute or undermines its brands. Company employees are subject to disciplinary action for failure to comply with these requirements. Non-SLG employees will be removed from Company premises with immediate effect and will be referred to their own employer.

6.1. WHISTLEBLOWING REGARDING ALCOHOL AND DRUGS

If an employee suspects that a colleague is under the influence of alcohol or drugs at work then they should either inform their line manager, their colleague's line manager, or a member of the Health & Safety or HR departments. The Company will protect the interests of any person who reports their suspicions about Alcohol and Drugs misuse on Company premises.

7. DISPLAY SCREEN EQUIPMENT REGULATIONS

Users of display screen equipment (DSE) are covered by additional Health & Safety regulations. If you are a DSE user, defined as habitually using DSE as part of your normal work for at least one hour each working day, you will receive details of user guidelines from your Line Manager.

8. EMPLOYMENT HEALTH CHECKS

The policy is to obtain an Employment Health Check for:

- New employees
- Employees transferring to a role where there is a significant change to the job content.
- Employees returning to the Company after a break in employment of 6 months or more, whether to the same or a different role.

Managers and staff have a clear understanding of when checks are required and the implications of the check not being in place.

The purpose of an Employment Health Check is to ensure that:

- All staff employed by the Company are fit and able to meet the demands of the role which they are employed to perform.
- Any risks to prospective employees, colleagues or clients have been identified and addressed.
- Any support needed by the prospective employee, to do the job effectively, has been identified and put in place.
- Any disability issues have been identified, and any potential reasonable adjustments are considered and where appropriate implemented.

Roles are offered on the basis that a satisfactory Employment Health Check will be in place as soon as practicable from the start date of the contract.

9. SMOKING

The Company is committed to a healthy and safe non-smoking environment for everyone who works in or visits any site, building, or office. This is applicable to all employees (permanent or temporary) contractors, suppliers and visitors. The Smoking Health and Social Care [Scotland] Act 2005, Smoke-free (Premises and Enforcement) Regulations 2006, Smoke-free (Exemptions and Vehicles) Regulations 2007, and other related legislation apply.

9.1. DEFINITIONS

- Smoking: the act of the inhalation and exhalation of any burning plant material.
- Vaping and E-Cigarettes: inhaling and exhaling vapour, containing Nicotine or Flavours, produced by a device designed for this purpose.

9.2. SMOKING POLICY

This policy treats Vaping and E-Cigarettes in the same way as Smoking. Smoking is not permitted within any Company building, office, or vehicle. Smoking is only permitted within Company designated shelters and areas.

9.3. COMMUNICATION

Signage is clearly displayed on all Company sites in compliance with the Smoke-free (Signs) Regulations 2007. This Policy is included in the Company Employee Handbook, communicated at employee, contractor, and visitor inductions, and is posted on notice boards at all Company sites.

9.4. ENFORCEMENT

Failure to comply with this Policy may result in disciplinary proceedings. Due to the statutory nature and compliance requirements, failure to comply may render individuals or the Company open to Criminal Prosecution.

10. LONE WORKING

Lone working can be defined as:

“Any individual who, in the process of carrying out their duties, may find themselves working alone or in an area isolated from other workers, or without close or direct supervision”.

This could include:

- Employees working out of hours or returning to a Company site when on call, such as engineers.
- Employees working separately from others.
- Travelling and driving for work.
- Working from home.

10.1. PROCEDURE FOR LINE MANAGERS

- Identify employees and roles to which this policy applies, and assess any risks to those employees and roles.
- Define how the Lone Worker will be supervised.
- Put systems in place for contacting and tracing Lone Workers.
- Create a Safe System of Work which records and tracks the whereabouts of Lone Workers.
- Ensure that Lone Workers have a safe way in and out of the workplace.
- Ensure that Lone Workers receive any training which is necessary to allow them to work alone.
- Follow an agreed system for locating Lone Workers who deviate from their expected movement pattern.

- Check that the person is medically fit (physically and mentally) for Lone Working.
- Ensure that the Lone Worker can adequately control work associated Hazards and Risks.
- Put precautions in place for normal duties and emergencies, illness, fire, and equipment failure.
- Ensure the workplace does not present a special risk to the Lone Worker.
- Prevent any risk of threats, bullying, intimidation, or violence.
- Identify specific or vulnerable groups, including gender and disability, from any enhanced risk of Lone Working.
- Consider that new or inexperienced workers are especially at risk if they work alone.
- Cease Lone Working when it is identified that it is no longer practicable or possible.

11. WORKING FROM HOME OR REMOTE WORKING WHILST AWAY FROM COMPANY PREMISES

The Company keeps a balanced and proportionate approach for home workers. In most cases a home visit is unnecessary to ensure their health and safety, but we have a duty to make sure that they have a healthy and safe environment to work in. This includes those who travel for work and may have to work away from Company premises, at a customer or supplier, or in a hotel room. We may decide a visit is appropriate in some circumstances, for example to meet any special requirement such as for a worker with a disability.

When someone is working from home, it is for the line manager in conjunction with the Health & Safety department, to decide:

- How it can be done safely.
- How to keep in touch with them, talking to them, for example using phone or video calls
- The type of work that they will be doing, and for how long.
- If control measures need to be put in place to protect them.
- Their home working set-up for display screen equipment, electrical hazards, slip and trip risks, insurance, etc.

Workers who are working from home, or another place away from Company premises should be allowed appropriate breaks to prevent extended periods of physical inactivity or screen time. Where a risk assessment indicates that the Company needs to take some action or provide equipment, workers cannot be charged for this.

Section 2: Our People Policies & Procedures

1. Dress Code Policy
2. Clocking in and Clocking Out
3. Lateness Policy
4. Equality, Diversity and Inclusion Policy
5. Anti-Harassment and Bullying Policy
6. Procurement Code of Conduct Policy
7. Employee Code of Conduct Policy
8. Anti-Corruption & Bribery Policy
9. Anti-Tax Evasion Policy
10. Competition Law Policy
11. Whistleblowing Policy
12. Anti-Slavery and Human Trafficking Policy
13. Learning and Development Policy & Procedure
14. Expenses Policy
15. Annual Leave Policy & Procedure
16. Sickness Absence Policy & Procedure
17. Disciplinary Policy & Procedure
18. Performance Improvement and Capability Policy & Procedure
19. Grievance Policy & Procedure
20. Flexible Working Policy & Procedure
21. Maternity Policy
22. Paternity Policy
23. Adoption Policy
24. Time off for Adoption Appointments Policy
25. Shared Parental Leave (Birth) Policy
26. Shared Parental Leave (Adoption) Policy
27. Parental Leave Policy
28. Time Off for Dependents Policy
29. Compassionate Leave
30. Parental Bereavement Policy
31. Jury Service
32. Public Duties
33. Approved Activities
34. Voluntary Health Related Absence

1. DRESS CODE POLICY

We encourage everyone to maintain an appropriate standard of dress and personal appearance at work. The purpose of our dress code is to establish basic guidelines on appropriate clothing and appearance at our workplace, so that we:

- Promote a positive and professional image.
- Respect the needs of people from all cultures and religions.
- Make any adjustments that may be needed because of disability.
- Take account of health and safety requirements;

and help employees and managers decide what clothing it is appropriate to wear to work. Line managers are responsible for ensuring that this dress code is observed and that a common-sense approach is taken to any issues that may arise. Any enquiries regarding the operation of the Company's dress code (including whether an article of clothing is suitable to wear to work) should be made to your line manager or the HR Team.

Employees must wear any Personal Protective Equipment (PPE) provided by the Company when required to do so by Health and Safety requirements.

Failure to comply with the dress code may result in action under our Disciplinary Policy.

The Company will review its dress code periodically, to ensure that it reflects appropriate standards and continues to meet its needs.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

2. CLOCKING IN AND CLOCKING OUT POLICY

You must clock in/out:

- On arrival on any site and in time to be ready to start work. For example, if you are due to start work at 6am, you must be at your workstation ready to commence work at 6am.
- On departure from the premises (including after working overtime).
- If you must leave site for any other reason, such as taking lunch or traveling between sites.

In the event of failing to clock in and out, you must report to your supervisor or immediate line manager and advise them of the exact time of arrival or departure and the reason for failing to clock in or out.

You will be liable to disciplinary action if you falsify your clock record, clock for another employee or allow another employee to clock for you.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

3. LATENESS POLICY

You should be at your work position and be ready to start for your normal start time. If you are persistently late, this will be treated as a conduct issue and will be dealt with under our Disciplinary Policy.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

4. EQUALITY, DIVERSITY AND INCLUSION POLICY

4.1. EQUAL OPPORTUNITIES STATEMENT

The Company is committed to encouraging equality, diversity and inclusion among our workforce, and eliminating unlawful discrimination. You and any job applicants will receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race (including colour, nationality, and ethnic or national origin), religion or belief, sex or sexual orientation ("Protected Characteristics").

4.2. ABOUT THIS POLICY

This policy sets out our approach to equality, diversity and inclusion and the avoidance of discrimination at work. It applies to all aspects of employment with us, including recruitment, pay and conditions, training, appraisals, promotion, conduct at work, disciplinary and grievance procedures, and termination of employment.

The HR Team is responsible for this policy and any necessary training on equal opportunities.

If you are involved in line management or recruitment, or you have any questions about the content or application of this policy, you should contact the HR Team for further assistance.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

4.3. TRAINING

Training on this policy forms part of the induction process for all individuals who work for us.

4.4. DISCRIMINATION

You must not unlawfully discriminate against or harass other people including current and former employees, job applicants, clients, customers, suppliers and visitors. This applies in the workplace, outside the workplace (when dealing with customers, suppliers or other work-related contacts or when wearing a work uniform), and on work-related trips or events including social events.

The following forms of discrimination are prohibited under this policy and are unlawful:

- **Direct discrimination:** treating someone less favourably because of a Protected Characteristic. For example, rejecting a job applicant because of their religious views or sexual orientation.
- **Indirect discrimination:** a provision, criterion or practice that applies to everyone but adversely affects people with a particular Protected Characteristic more than others and is not justified. For example, requiring a job to be done full-time rather than part-time would adversely affect women because they generally have greater childcare commitments than men. Such a requirement would be discriminatory unless it can be justified.
- **Harassment:** this includes sexual harassment and other unwanted conduct related to a Protected Characteristic, which has the purpose or effect of violating someone's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for them. Harassment is dealt with further in our Anti-harassment and Bullying Policy.

- **Victimisation:** retaliation against someone who has complained or has supported someone else's complaint about discrimination or harassment.
- **Disability discrimination:** this includes direct and indirect discrimination, any unjustified less favourable treatment because of the effects of a disability, and failure to make reasonable adjustments to alleviate disadvantages caused by a disability.

4.5. RECRUITMENT AND SELECTION

Recruitment, promotion and other selection exercises such as redundancy selection will be conducted on the basis of merit, against objective criteria that avoid discrimination. Shortlisting should be done by more than one person if possible. The Company's recruitment procedures should be reviewed regularly to ensure that individuals are treated on the basis of their relevant merits and abilities.

Vacancies should generally be advertised to a diverse section of the labour market. Advertisements should avoid stereotyping or using wording that may discourage particular groups from applying.

Job applicants should not be asked questions which might suggest an intention to discriminate on grounds of a Protected Characteristic. For example, applicants should not be asked whether they are pregnant or planning to have children.

Job applicants should not be asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law: for example, to check that the applicant could perform an intrinsic part of the job (taking account of any reasonable adjustments), or to see if any adjustments might be needed at interview because of a disability. Where necessary, job offers can be made conditional on a satisfactory medical check. Health or disability questions may be included in equal opportunities monitoring forms, which must not be used for selection or decision-making purposes.

We are required by law to ensure that all employees are entitled to work in the UK. Assumptions about immigration status should not be made based on appearance or apparent nationality. All prospective employees, regardless of nationality, must be able to produce original documents (such as a passport) before employment starts, to satisfy current immigration legislation.

4.6. TRAINING AND PROMOTION AND CONDITIONS OF EMPLOYMENT

You will be given appropriate access to training to enable you to progress within the organisation and all promotion decisions will be made on the basis of merit.

The Company's conditions of employment, benefits and facilities are reviewed regularly to ensure that they are available to all of you who should have access to them and that there are no unlawful obstacles to accessing them.

4.7. TERMINATION OF EMPLOYMENT

The Company will ensure that redundancy criteria and procedures are fair and objective and are not directly or indirectly discriminatory. It will also ensure that disciplinary procedures and penalties are applied without discrimination, whether they result in disciplinary warnings, dismissal, or other disciplinary action.

4.8. DISABILITIES

If you are disabled or become disabled, we encourage you to tell us about your condition so that we can consider what reasonable adjustments or support may be appropriate.

4.9. PART-TIME AND FIXED-TERM WORK

Part-time and fixed-term employees should be treated the same as comparable full-time or permanent employees and enjoy no less favourable terms and conditions (on a pro-rata basis where appropriate), unless different treatment is justified.

4.10. BREACHES OF THIS POLICY

The Company takes a strict approach to breaches of this policy, which will be dealt with in accordance with its Disciplinary Policy. Serious cases of deliberate discrimination may amount to gross misconduct resulting in dismissal.

If you believe that you have suffered discrimination you can raise the matter through the Company's Grievance Policy or Anti-harassment and Bullying Policy. Complaints will be treated in confidence and investigated as appropriate.

You must not be victimised or retaliated against for complaining about discrimination. However, making a false allegation deliberately and in bad faith will be treated as misconduct and dealt with under our Disciplinary Policy.

5. ANTI-HARASSMENT AND BULLYING POLICY

5.1. ABOUT THIS POLICY

We are committed to providing a working environment that is free from harassment and bullying, ensuring that all employees are treated, and treat others, with dignity and respect.

This policy covers harassment or bullying which occurs at work and out of the workplace, such as on business trips or at work-related events or social functions. It covers bullying and harassment by employees (which may include consultants, contractors, and agency workers) and by third parties such as customers, suppliers or visitors to our premises.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

5.2. WHAT IS HARASSMENT?

Harassment is any unwanted physical, verbal or non-verbal conduct that has the purpose or effect of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for them. A single incident can amount to harassment.

It also includes treating someone less favourably because they have submitted or refused to submit to such behaviour in the past.

Unlawful harassment may involve conduct of a sexual nature (sexual harassment), or it may be related to age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation. Harassment is unacceptable even if it does not fall within any of these categories.

Harassment may include, for example:

- Unwanted physical conduct or “horseplay”, including touching, pinching, pushing, and grabbing.
- Unwelcome sexual advances or suggestive behaviour (which the harasser may perceive as harmless).
- Offensive e-mails, text messages or social media content.
- Mocking, mimicking or belittling a person’s disability.

A person may be harassed even if they were not the intended “target”. For example, a person may be harassed by racist jokes about a different ethnic group if the jokes create an offensive environment.

5.3. WHAT IS BULLYING?

Bullying is offensive, intimidating, malicious or insulting behaviour involving the misuse of power that can make a person feel vulnerable, upset, humiliated, undermined, or threatened. Power does not always mean being in a position of authority but can include both personal strength and the power to coerce through fear or intimidation.

Bullying can take the form of physical, verbal and non-verbal conduct. Bullying may include, by way of example:

- Physical or psychological threats.
- Overbearing and intimidating levels of supervision.
- Inappropriate derogatory remarks about someone’s performance.
- Excluding someone from a work situation or social event without justified reason.

Legitimate, reasonable and constructive feedback of a worker’s performance or behaviour, or reasonable instructions given to workers in the course of their employment, will not amount to bullying on their own.

5.4. IF YOU ARE BEING HARASSED OR BULLIED

If you are being harassed or bullied, consider whether you feel able to raise the problem informally with the person responsible. You should explain clearly to them that their behaviour is not welcome or makes you uncomfortable. If this is too difficult or embarrassing, you should speak to your line manager, who can provide confidential advice and assistance in resolving the issue formally or informally.

If informal steps are not appropriate, or have not been successful, you should raise the matter formally under our Grievance Procedure.

All complaints will be investigated in a timely and confidential manner. The investigation will be conducted by someone with appropriate experience and no prior involvement in the complaint, where possible. Details of the investigation and the names of the person making the complaint and the person accused must only be disclosed on a “need to know” basis. We will consider whether any steps are necessary to manage any ongoing relationship between you and the person accused during the investigation.

Once the investigation is complete, we will inform you of our decision. If we consider you have been harassed or bullied by an employee, the matter will be dealt with under the Disciplinary Policy as a case of possible misconduct or gross misconduct. If the harasser or bully is a third party such as a customer or other visitor, we will consider what action would be appropriate to deal

with the problem. Whether or not your complaint is upheld, we will consider how best to manage any ongoing working relationship between you and the person concerned.

5.5. PROTECTION AND SUPPORT FOR THOSE INVOLVED

An employee who makes a complaint or who participates, in good faith, in any investigation must not suffer any form of retaliation or victimisation as a result. Anyone found to have retaliated against or victimised someone in this way will be subject to disciplinary action under the Company’s Disciplinary Policy.

5.6. RECORD-KEEPING

Information about a complaint by or about an employee may be placed on the employee’s personnel file, along with a record of the outcome and of any notes or other documents compiled during the process.

6. PROCUREMENT CODE OF CONDUCT POLICY

6.1. INTRODUCTION

The Company is committed to the responsible sourcing of goods and services. This Supplier Code of Conduct sets out our expectations of those suppliers who provide goods and services to the Company. The Supplier Code of Conduct sets the minimum performance standards, the goal of which is to ensure safe and healthy workplaces for the people who provide goods and services to the Company, where human and civil rights conditions follow the core labour conventions of the International Labour Organization (ILO). The Company will apply its Supplier Code of Conduct as one of the criteria used in its selection of business partners and suppliers. It is a requirement that all suppliers to the Company, and their sub-suppliers, follow this Code.

The standards detailed below form part of the Company’s broader commitment to upholding human rights and to operating in a responsible manner. The Company will determine the level and the degree necessary to investigate and act upon complaints.

6.2. PURPOSE AND SCOPE

This Code of Conduct sets out the minimum standards we expect from our suppliers and sub-suppliers, and we encourage all suppliers to go beyond these requirements. The term ‘supplier’ as used in this Code refers to suppliers, vendors, contractors, consultants, agents and other providers of goods and services who do or seek to do business with the Company.

It is expected that suppliers apply similar levels of compliance to their own suppliers or approved sub-contractors with whom they work to supply goods and services to the Company. These principles form part of the supplier selection process and are subject to continued monitoring. Where there is a pre-existing relationship with a supplier, the requirements of this Code are in addition, and not in lieu of, any legal or contractual agreement between that supplier, the Company.

6.3. CODE OF CONDUCT POLICIES

6.3.1. HUMAN RIGHTS

The Company’s suppliers and their sub-suppliers:

- Will ensure that fundamental human rights as recognised in the Universal Declaration of Human Rights will be always respected, regardless of nationality, place of residence, sex, national or ethnic origin, colour, religion, or any other status.

6.3.2. CHILD LABOUR

The Company's suppliers and their sub-suppliers:

- Will not hire people under the age of 15, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply, as defined by the International Labour Organization (ILO) Convention 138. Total duty time and schooling shall not exceed 10 hours per day.
- Will ensure that, where young people under the age of 18 are employed, their work is not likely to be harmful to their health and/or development, including not working under hazardous conditions and ensuring compliance with all applicable laws.
- Acknowledge that according to the United Nations Convention on the Rights of the Child, a person is a child until age of 18. In keeping with ILO Convention 182, company suppliers and their sub-suppliers will ensure young workers in the age group 15-17 are employed according to the protective restrictions prescribed by local laws. Where local laws do not exist or where they set lower standards than the ILO, the ILO standards shall prevail.

6.3.3. WAGES AND BENEFITS

The Company's suppliers and their sub-suppliers:

- Will ensure that the basic or minimum wage or salary, and any additional entitlements payable directly or indirectly in cash or in kind by the employer to the worker, and arising out of the worker's employment are adhered to in full. This includes paid sick days, family, and medical leave, paid overtime etc. where applicable.

6.3.4. HOURS OF WORK

The Company's suppliers and their sub-suppliers:

- Will ensure regular working hours do not exceed forty-eight (48) hours per week, and that the combination of regular hours and required overtime hours do not exceed sixty (60) hours per week except in emergency circumstances.

6.3.5. FORCED LABOUR

The Company's suppliers and their sub-suppliers:

- Will not use forced, illegal, trafficked, or prison labour, including indentured or bonded labour, or any form of compulsory labour to manufacture products for the Company. (ILO Conventions 29 & 105). Workers shall be free to leave employment without penalty on the provision of reasonable notice.
- Will not require workers to lodge deposits or their identity papers as a condition of employment, or financially penalise workers for resigning.
- Will not require any foreign contract worker to remain in employment for any period of time against his or her will, and will pay any required agency recruitment commissions.
- Must ensure that all workers have the legal right to work, and any migrant workers should be in possession of a valid work permit issued by the relevant authority.

6.3.6. FREEDOM OF ASSOCIATION

The Company's suppliers and their sub-suppliers:

- Will recognise and respect that workers, without distinction, have the right to form, join or refrain from joining worker organisations of their own choosing and to bargain collectively. (ILO Convention 87). Suppliers will allow workplace access for such organisations to facilitate their representative functions.
- Will ensure that where the right of freedom of association and collective bargaining is restricted under law, the supplier facilitates and does not hinder the development of parallel means for independent, free association and bargaining (ILO Convention 98).

- Will ensure that workers' representatives are not discriminated against and have reasonable access to carry out their representative functions in the workplace.

6.3.7. OCCUPATIONAL HEALTH & SAFETY

The Company's suppliers and their sub-suppliers:

- Will provide their workers with safe and healthy work environments including providing adequate training and effective protective equipment to safely carry out their duties, which as a minimum follows country and local health and safety laws and regulations.
- Will take adequate steps to prevent accidents or injuries to health arising out of, associated with, or occurring in the course of work.
- Will ensure that any living facilities provided for personnel are safe and clean and meet the basic needs of personnel. This includes the provision of access to clean toilet facilities, potable water, and clean facilities for food storage. Facilities must be constructed and maintained in accordance with applicable laws and regulations, and accommodation, where provided, shall be clean, safe, and meet the basic needs of workers while respecting their dignity.
- Will ensure that there are appropriate exits, procedures, and equipment in place to deal with emergency situations.
- Will ensure that safety information relating to hazardous materials, including chemical and processing materials, shall be available to educate, train and protect workers from hazards.
- Will ensure that when working with the Company or onsite, suppliers must work in a way that assures their own safety and the safety of others and in compliance with applicable Company and regulatory environmental, health and safety requirements. Any incidents that may impact the Company and/or its employees must be reported promptly.
- Shall not possess, use or sell illegal drugs on the Company's property or perform their work under the influence of alcohol or illegal drugs.

6.3.8. HARASSMENT

The Company's suppliers and their sub-suppliers:

- Will provide a workplace free of harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuses of workers and no threat of any such treatment.
- Will treat workers with respect and dignity and ensure workers are not subject to any form of physical, sexual, psychological, or verbal harassment or abuse.
- Will ensure that workers are free to express their concerns about workplace conditions without fear of retribution of losing their jobs. Workers should have access to a formal avenue to express concerns directly to management.

6.3.9. NON-DISCRIMINATION

The Company's suppliers and their sub-suppliers:

- Will consider employees for positions based on their qualifications and abilities. The Company will not work with suppliers who discriminate in hiring, compensation, access to training, promotion, termination, or retirement on the basis of race, class, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity or expression, marital status, family status, pregnancy, union membership, political affiliation, disability or other legally protected class (ILO Conventions 100 & 111).
- Will ensure pregnant workers are assigned work tasks appropriate for, and not threatening to, their condition.
- Will not seek to avoid obligations to workers under labour or social security laws and regulations arising from the regular employment relationship through the excessive use of

fixed-term contracts, labour-only contracting, subcontracting, home-working or apprenticeship schemes.

6.3.10. BUSINESS ETHICS

The Company's suppliers and their sub-suppliers:

- Are expected to commit to exercising appropriate standards of professionalism and ethical conduct in all business activities. The Company will not tolerate bribery or corruption in any form, or any breach of its Bribery Policy.
- Are not permitted to directly or indirectly promise, offer, or provide any improper advantage to any person or entity, including officials of a government or a government-controlled entity. The Company's employees are not allowed to accept any such advantage and we expect the same approach in business dealings from our business partners, suppliers and third parties.
- Must disclose any personal relationships, economic interest or other ties to their business held by an employee or contractor with the Company to avoid any conflict of interest.
- Shall provide the Company with high-quality products and services that meet all applicable quality standards and demonstrate that they have robust quality-management systems in place. We expect suppliers to immediately report to the Company, any concerns about product safety.
- Are required to eliminate the use of conflict minerals. The Company will continue to promote responsible mineral sourcing and expect suppliers to communicate its conflict-free policy with next-tier suppliers. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available upon request.

6.3.11. ACCURACY OF BUSINESS RECORDS

The Company's suppliers and their sub-suppliers:

- Are expected to maintain accurate records of their activities and performance that clearly demonstrate compliance and disclosure of financial and nonfinancial information according to all applicable standards, regulations and the company's requirements.
- Will ensure that all financial books and records must conform to generally accepted accounting principles.
- Will ensure that records are legible, transparent, and reflect actual transactions and payments. Do not hide, fail to record, or make false entries.

6.3.12. INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

The Company's suppliers and their sub-suppliers:

- Shall take appropriate measures to secure and protect all confidential information related to its relationship with the Company and use it only for the purpose authorised under contractual agreement. This obligation shall remain in force regardless of the status of the business relationship.
- Requiring the exchange of confidential information with the Company are required to execute a Confidential Disclosure Agreement (CDA) with the Company in advance.
- Shall not share the Company's intellectual property, confidential information, or any other information that they acquire with respect to the Company's business (including information developed by Suppliers and information relating to products, customers, pricing, costs, know-how, strategies, processes, and practices).
- Must immediately report unauthorized disclosure of the Company's confidential information, whether inadvertent or not, to appropriate the Company's management .

6.3.13. ENVIRONMENTAL COMMITMENT

The Company's suppliers and their sub-suppliers:

- Will ensure that all waste materials, as a by-product of production, are disposed of properly in an environmentally responsible manner, and according to the local and international laws and regulations.
- Shall operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment. Suppliers are encouraged to conserve natural resources, to avoid the use of hazardous materials where possible and to engage in activities that reuse and recycle.
- Will endeavour to secure their raw materials from fully traceable, sustainable sources and where required, will be members of relevant multi-stakeholder initiatives or reporting platforms that support the Company's responsible sourcing ambition.
- Shall also comply with any additional category specific requirements regarding the goods or services provided to the Company, for example our requirements with respect to animal welfare.
- Shall respect the rights to land tenure of local communities and indigenous peoples impacted by its operations, including its raw material sourcing, and will adhere to the principle of Free, Prior and Informed Consent.
- Shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges. Any waste, wastewater, or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment. Systems shall be in place to prevent and mitigate accidental spills and releases into the environment.

6.3.14. LEGAL AND ETHICAL REQUIREMENTS

The Company's suppliers and their sub-suppliers:

- Will comply with national and other applicable laws of the country of manufacture of products including those laws relating to labour, worker health and safety, and the environment. Where the provisions of law and the Supplier Code of Conduct address the same issue, the provision that is most stringent will apply.
- Are expected to develop, implement, and maintain methods and processes appropriate to their products and services to minimise the risk of introducing counterfeit parts and materials into deliverable products.
- Will uphold the standards of fair business and competition rules, including business practices that unlawfully restrain competition, improper exchange of information, price fixing or bid rigging, and will not partake in retaliation.

6.4. COMPLIANCE AND IMPLEMENTATION

The Company expects suppliers to ensure that their operations comply with all applicable laws and regulations at a minimum. Furthermore, we expect that all suppliers adhere to the Company's requirements, including the standards as laid out in this Code of Conduct. The Company believes in cooperation and is willing to work with its suppliers to improve performance where necessary.

Suppliers shall have the appropriate processes and systems for compliance, including a means for the confidential reporting of concerns about misconduct or unethical behaviour and an appropriate mechanism for addressing any issues identified. Where issues are identified through internal reporting, whistle-blowers will be protected from any negative repercussions.

Suppliers shall cooperate with the Company to allow it, or any authorised third party, to conduct audits to verify compliance with these standards or other required certifications. In the event that deficiencies are identified the supplier will take the steps necessary within an acceptable

timeframe to correct any deficiency to the Company's satisfaction.

Suppliers shall immediately report any concerns about compliance with legal requirements or any aspect of this Code, to their designated point of contact.

Where suppliers are found to have contravened the requirements set out in this Code, the Company reserves the right to terminate any associated agreement or business relationship.

7. EMPLOYEE CODE OF CONDUCT POLICY

7.1. ADDITIONAL EMPLOYMENT

Employees are required to devote their time and energies to their work and not engage directly or indirectly in any other employment or business without consent in writing from their manager. The line manager should contact HR for advice prior to providing the employee with consent. The Company will not unreasonably withhold such consent.

Should you be employed with another company, this should not conflict with the interests of the Company. We would also encourage employees not to exceed the limits set out by the working time regulations.

Please inform your manager of any other employment you may have.

7.2. CONFLICTS OF LOYALTY OR INTEREST

All employees are expected to declare in writing if they find themselves in a situation where their loyalty to the Company comes into conflict with personal interests or loyalties. Such a declaration should be made to their immediate manager who should then report it to the HR Team.

An example of this would be a member of your family that you come into contact with, in relation to your job, who may work for a competitor, client or supplier. Another example could be beginning a relationship with a colleague when you work in the same team with, or being line managed by them.

7.3. DISLOYALTY

You must not do actual or potential damage to the Company's reputation, its business operations and/or the management's ability to manage. Examples of this are discrediting the Company or imparting confidential information to an unauthorised person. Such actions could be treated as gross misconduct.

7.4. MONEY MAKING ACTIVITIES

You must not engage in any of the following during working hours:

- Selling goods to other employees.
- Selling tickets or taking collections (without prior permission from your manager).
- Gambling including betting, toutting or money lending.

Such activities, without prior permission, are deemed gross misconduct and may lead to summary dismissal.

7.5. LOANING OF MONEY BETWEEN EMPLOYEES

Employees are advised that the borrowing or lending of money or other valuables between colleagues can lead to conflict and is discouraged.

Where such conflict results in business disruption, this will be regarded as a serious offence, which could be regarded as misconduct or gross misconduct and lead to disciplinary action.

7.6. VISITORS

Visitors to the Company's premises must be escorted at all times. If you notice a stranger wandering around any of the Company's premises where you are working, please ask if you can help them, redirect them if they are lost or ask them to accompany you to the manager's office or reception.

Visitors, including family and friends, are not allowed on any of the Company's premises without prior approval from your manager.

8. ANTI BRIBERY & CORRUPTION POLICY

8.1. ABOUT THIS POLICY

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. Any non-employee who breaches this policy may have their contract terminated with immediate effect.

This policy does not form part of any employee's contract of employment and we may amend it at any time. It will be reviewed regularly.

8.2. TRAINING

Training on this policy forms part of the induction process for all individuals who work for us.

8.3. WHO MUST COMPLY WITH THIS POLICY?

This policy applies to all persons working for the Company, or on its behalf, in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.

8.4. WHAT IS BRIBERY?

Bribe means a financial or other inducement or reward for action which is illegal, unethical, a breach of trust or improper in any way. Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.

Bribery includes offering, promising, giving, accepting or seeking a bribe.

All forms of bribery are strictly prohibited. If you are unsure about whether a particular act constitutes bribery, raise it with your Line Manager.

Specifically, you must not:

- Give or offer any payment, gift, hospitality or other benefit in the expectation that a business advantage will be received in return, or to reward any business received.

- Accept any offer from a third party that you know, or suspect is made with the expectation that we will provide a business advantage for them or anyone else.
- Give or offer any payment (sometimes called a facilitation payment) to a government official in any country to facilitate or speed up a routine or necessary procedure.

You must not threaten or retaliate against another person who has refused to offer or accept a bribe or who has raised concerns about possible bribery or corruption.

8.5. GIFTS AND HOSPITALITY

This policy does not prohibit the giving or accepting of reasonable and appropriate hospitality for legitimate purposes such as building relationships, maintaining our image or reputation, or marketing our products and services.

A gift or hospitality will not be appropriate if it is unduly lavish or extravagant or could be seen as an inducement or reward for any preferential treatment (for example, during contractual negotiations or a tender process).

Gifts must be of an appropriate type and value depending on the circumstances and taking account of the reason for the gift. Gifts must not include cash or cash equivalent (such as vouchers) or be given in secret. Gifts must be given in the Company's name, not an employee's name.

Promotional gifts of low value such as branded stationery may be given to or accepted from existing customers, suppliers and business partners.

If you are offered an inappropriate gift or hospitality in terms of type and value, please inform your line manager as soon as reasonably possible.

8.6. RECORD-KEEPING

You must inform your line manager of all hospitality or gifts given or received which will then be recorded in the Company's Gifts and Hospitality register.

All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

8.7. HOW TO RAISE A CONCERN

If you are offered a bribe, or are asked to make one, or if you suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must notify your line manager as soon as possible.

8.8. SOCIAL FUNCTIONS

There may be occasions where you are invited to a social function such as a Christmas Party or corporate event at your place of work or another location. While the Company would wish to encourage a relaxed enjoyable atmosphere, employees are still responsible for their actions even if they have been consuming alcohol. Any unacceptable behaviour will be held to account and may lead to formal disciplinary action. Employees must remember that they continue to represent the Company during 'out of hours' social events, including with clients, customers etc. and have a responsibility to treat each other and members of the public with respect and dignity.

8.9. ETHICAL TRADING INITIATIVE (ETI) BASE CODE

The Company subscribes to the ETI Base Code, an internationally recognised set of labour standards based on the international labour Organisation conventions. This code can be found on the Company notice boards and is issued as part of our e-learning platform.

9. ANTI TAX-EVASION POLICY

In response to the Criminal Finances Act 2017, the company has adopted a statement of our corporate value on anti-facilitation of tax evasion. It is our policy to conduct all our business dealings in an honest and ethical manner. The value statement governs all our business dealings and the conduct of all persons or organisations who are appointed to act on our behalf. We request all our employees and all who have, or seek to have, a business relationship with the company to familiarise themselves with our anti-tax evasion value statement and to always act in a way which is consistent with our anti-tax evasion value statement. The company has a zero-tolerance approach to all forms of tax evasion, whether under UK law or under the law of any foreign country. employees and associates of the company must not undertake any transactions which:

1. Cause the company to commit a tax evasion offence; or
2. Facilitate a tax evasion offence by a third party who is not an associate of the company.

We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation. At all times, business should be conducted in a manner such that the opportunity for, and incidence of, tax evasion is prevented.

9.1. SCOPE

The policy statement applies to all employees (full time, part time, temporary and casual) who work for company.

The company expects that individuals and organisations (e.g. suppliers, contractors, and service providers) that it deals with will act with integrity and without thought or actions involving fraud and corruption. Where relevant, will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption; evidence of such acts are most likely to lead to a termination of the particular contract and may lead to prosecution.

9.2. RESPONSIBILITY FOR POLICY

The Board of Directors of the company has overall responsibility for ensuring that this policy complies with our legal obligations, and our employees and associates comply with it. This policy is adopted by the Company. It may be varied or withdrawn at any time, in the company's absolute discretion. Employees in leadership positions are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

9.3. FACILITATION OF TAX EVASION

Tax Evasion means an offence of cheating the public revenue or fraudulently evading UK tax and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent. Foreign Tax Evasion means evading tax in a foreign country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK. As with tax evasion, the element of fraud means there must be deliberate action, or omission with dishonest intent.

Tax Evasion Facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country by another person, or aiding, abetting, counselling, or procuring the commission of that offence).

Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly. Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs).

Tax means all forms of UK taxation, including but not limited to corporation tax, income tax, value added tax, stamp duty, stamp duty land tax, national insurance contributions (and their equivalents in any non-UK jurisdiction) and includes duty and any other form of taxation (however described).

All employees must, always, adhere to this anti-tax evasion policy and must ensure that they read, understand and comply with this policy.

10. COMPETITION LAW POLICY

10.1. COMMITMENT AND RESPONSIBILITY

The Company is committed to ensuring that all of its activities are conducted in accordance with all applicable legal and regulatory requirements.

Any Company employee, engaging in business practices which infringe legal or regulatory requirements, may be subject to disciplinary action which may lead to dismissal and may face personal criminal or civil liability.

It is the responsibility of all Company employees to ensure that they report any infringement or suspected infringement, of legal or regulatory requirements involving the Company, to their line manager.

10.2. INTRODUCTION

Anti-trust and competition law infringements present serious risks for every business. Breaches of anti-trust and competition laws can lead to significant fines for companies (potentially up to 10% of worldwide revenue) and imprisonment for individuals. The enforcement of anti-trust and competition laws in many countries is increasingly stringent, and encompasses activities undertaken by the Company through its employees, or third parties acting on its behalf, across various international jurisdictions. In addition, third parties may bring damage claims against the Company to recover losses arising from anti-trust and competition law infringements.

The corporate conduct of the Company is based on free enterprise and fair and ethical competition within the framework of all applicable anti-trust and competition laws. The Company does not engage in or tolerate any form of conduct which fails to comply with the requirements and spirit of anti-trust and competition laws.

10.3. SCOPE

This policy applies to the Company and every employee (which for these purposes includes temporary or contract employees) and extends to all business dealings.

The purpose of this policy is to set out the Company's position on anti-trust and competition law compliance and to provide guidance to employees on the prevention, detection and reporting of behaviours which fail to comply with the requirements and spirit of anti-trust and competition laws.

10.4. POLICY

The Company does not engage in or tolerate any form of conduct which fails to comply with the requirements and spirit of anti-trust and competition laws. It is contrary to the Company's policy for any employee, acting on its behalf, to engage in any conduct which may infringe anti-trust and competition laws.

If any anti-trust or competition law concerns are raised by any governmental or regulatory authorities or any other third parties in relation to the conduct of business by the Company, the Company's CEO must be advised immediately.

If any Company employee has any concerns regarding anti-trust or competition law matters relating to the conduct of third parties which may damage the business or reputation of the Company, the Company's CEO must be advised immediately.

The fundamental objective of anti-trust and competition laws is to regulate anti-competitive behaviour by businesses and individuals which may be to the detriment of customers and competitors.

The most prevalent forms of anti-competitive behaviour typically derive from:

- Agreements, arrangements or other practices; or
- Abuse of a dominant position

The key areas of potential focus and concern are highlighted below

10.5. AGREEMENTS, ARRANGEMENTS OR OTHER PRACTICES

- Any agreement or conduct which has a damaging effect on competition may be unlawful.
- The concept of agreement under competition law is generally very broad and can include formal or informal agreements – in writing or otherwise (i.e. ranging from written contracts to informal "understandings").
- Agreements may be between customers and suppliers or distributors ("vertical") or between competitors ("horizontal")
- Agreements or communication between competitors are particularly dangerous.
- Horizontal agreements, arrangements or practices likely to be unlawful include those between competitors that:
 - Fix, control or raise prices, rebates or other terms of trade
 - Share, allocate or divide markets or customers (e.g. through bid-rigging or cover-pricing)
 - Seek to limit production or capacity
 - Exchange confidential / commercially sensitive information (e.g. pricing)
- Vertical agreements may be unlawful depending on the particular market circumstances and the position of the parties if they include exclusivity or other non-competition arrangements seeking to manage competitive activity in particular markets or territories.
- Vertical agreements imposing minimum prices are likely to be unlawful.

10.6. EMPLOYEE OBLIGATIONS

All Company employees must exercise caution in relation to potential anti-trust and competition

law issues, having regard, in particular, to the following in ensuring compliance with this policy:

- Be extremely careful in any discussions with actual or potential competitors.
- Always file a “Record of Competitor Contact” after every contact with a competitor (meeting or phone call).
- Be aware of anti-trust or competition law concerns in all dealings or communications (including emails and reports) with or relating to suppliers, customers, competitors and/or markets.
- Be very cautious regarding involvement in trade associations where concerted activity amongst members may lead to anti-trust and competition law concerns.
- Use words carefully: careless use of words can make legitimate competitive activity appear suspect.
- Ensure agreements with suppliers and customers containing restrictions on price, products or territory and / or including any elements of exclusivity, are carefully analysed with the benefit of legal advice before being entered into. Such arrangements should not be entered into with competitors, save for very limited exceptions and any such arrangement should not be entered into without clearance following legal advice.
- Address any issues of concern with your line manager prior to engaging in any particular conduct the impact of which may be potentially anti-competitive.
- Seek immediate legal advice in the event of any concerns or doubts regarding compliance with anti-trust and competition law requirements.

10.7. RESPONSIBILITIES

The Company’s Board is committed to ensuring that all Company activities are conducted in accordance with all applicable legal and regulatory requirements.

The Board is responsible for establishing this policy, supported by an appropriate corporate culture led by the Board, which prohibits anti-competitive activity in breach of anti-trust and competition law requirements involving Company employees or any third parties acting on behalf of the Company.

The Company’s CEO, supported by the Operational Executive, has responsibility for implementing this policy. The Operational Executive is responsible for training and internal controls to ensure the consistent implementation of this policy and compliance with its requirements. It is also the responsibility of the management within each department to ensure that all Company employees, and all third-party service suppliers acting on behalf of the Company, are made aware of this policy.

It is the responsibility of each Company employee to ensure compliance with the terms of this policy.

10.8. COMPLIANCE

All employees are required to comply with this policy.

The Company is committed to training its employees in relation to anti-trust and competition law issues and the procedures and controls implemented in accordance with the requirements of this policy.

Employees are required to undertake diligently and expeditiously such training as the Company may provide or otherwise specify from time to time.

Employees are required to certify their receipt and understanding of this policy and certify their

compliance with it.

Failure to comply with this policy or the Company’s training requirements may result in disciplinary action, which may lead to dismissal, and may expose the Company and/or its employees to criminal or civil liability.

If any employee believes that the terms of this policy are not being correctly adhered to then they should raise any concerns with their line manager or with the Company’s CEO.

Employees are encouraged, without fear of victimisation, to raise any concerns they may have regarding the conduct of the Company’s business in order that such concerns may be properly investigated.

The Company will not permit retaliation of any kind by or on behalf of the Company or any employee against any individual for making good faith reports of violations or suspected violations of this policy.

Employees must co-operate fully and openly with any investigation by the Company into alleged or suspected breaches of this policy. Failure to co-operate or to provide truthful information during any investigation may lead to employees being subject to disciplinary action, which may lead to dismissal.

10.9. MONITORING

The Company is committed to monitoring compliance with this policy.

Monitoring of compliance with this policy may include reviewing the extent and nature of commercial agreements, arrangements and other practices, the nature and extent of relationships with competitors and trade associations and the assessment of pricing practices.

Monitoring of compliance with this policy will be undertaken by any resource as may be directed by the Company’s CEO.

11. WHISTLEBLOWING POLICY

11.1. ABOUT THIS POLICY

The Company is committed to conducting business with honesty and integrity and expects all employees to maintain high standards. Any suspected wrongdoing should be reported as soon as possible.

This policy covers all employees, officers, consultants, contractors, casual workers, and agency workers.

This policy does not form part of any employee’s contract of employment, and the Company may amend it at any time.

11.2. WHAT IS WHISTLEBLOWING?

Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to the Company’s activities. This includes bribery, facilitation of tax evasion, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of

legal or professional obligations.

11.3. HOW TO RAISE A CONCERN

We hope that in many cases you will be able to raise any concerns with your line manager and provide them with clear specifics examples of your concerns. However, where you prefer not to raise it with your line manager for any reason, you should contact our confidential email address whistleblower@scottishleathergroup.com which will be picked up by our HR Director.

We will arrange a meeting with you as soon as possible to discuss your concern and we will respect the confidentiality of your disclosure and any subsequent investigation. We are committed to investigating disclosures fully, fairly, quickly and confidentially, where circumstances permit.

If your complaint/concern relates to your personal circumstances and it cannot be resolved with your line manager or the HR Team, then you should follow the Grievance Policy and process.

11.4. CONFIDENTIALITY

We hope that employees will feel able to voice whistleblowing concerns openly under this policy. Completely anonymous disclosures are difficult to investigate. If you want to raise your concern confidentially, we will make every effort to keep your identity secret and only reveal it where necessary to those involved in investigating your concern.

11.5. EXTERNAL DISCLOSURES

The aim of this policy is to provide an internal mechanism for reporting, investigating, and remedying any wrongdoing in the workplace. In most cases you should not find it necessary to alert anyone externally.

The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a SEPA, HSE or Environment Agency. We strongly encourage you to seek advice before reporting a concern to anyone external.

11.6. PROTECTION AND SUPPORT FOR WHISTLE-BLOWERS

We aim to encourage openness and will support whistle-blowers who raise genuine concerns under this policy, even if they turn out to be mistaken.

Whistle-blowers must not suffer any detrimental treatment because of raising a genuine concern. If you believe that you have suffered any such treatment, you should inform the HR Team immediately.

You must not threaten or retaliate against whistle-blowers in any way. If you are involved in such conduct, you may be subject to disciplinary action.

However, if we conclude that a whistle-blower has made false allegations maliciously, the whistle-blower may be subject to disciplinary action.

12. ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY

12.1. INTRODUCTION

As a family-owned business, the Company has a strong tradition of doing business in a responsible way. It is ingrained in our culture and values and how we do business. This encompasses the Health, Safety and Welfare of our employees, suppliers and customers and we

therefore acknowledge our responsibilities under the Modern Slavery Act 2015.

12.2. LEGISLATION

- The Modern Slavery Act 2015
- Global Slavery Index
- Corruption Perception Index

12.3. DEFINITION

Modern slavery is a crime, and a gross violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced, and compulsory labour and human trafficking. All of these have in common the deprivation of a person's liberty, by another, in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all of our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

12.4. OUR COMMITMENT

We are also committed to ensuring that there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015.

We expect the same high standards from all of our contractors, suppliers, and other business partners, and as part of our contracting process we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives, and business partners.

This policy does not form part of the employee contract of employment, and the Company may amend it at any time.

12.5. GROUP STRUCTURE

The Board of Directors has overall responsibility for ensuring that this policy complies with the Company's legal and ethical obligations, and that all those under our control comply with it.

The Company's CEO has primary and day-to-day responsibility for implementing this policy.

The HR Director has responsibility for monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering modern slavery.

Management at all levels are responsible for ensuring that those reporting to them understand and comply with this policy and are given adequate and regular training on it and the issue of modern slavery in supply chains.

12.6. COMPLIANCE, DUE DILIGENCE AND AUDIT

Risk assessments will be completed annually within the supply chain and supplier compliance

reports obtained.

The prevention, detection and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify the HR Team if you believe or suspect that a conflict with this policy has occurred or may occur in the future. This can be reported in accordance with our Whistleblowing Policy.

We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that modern slavery of whatever form is or may be taking place in any part of our own business or in any of our supply chains. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If you believe that you have suffered any such treatment, you should inform the HR Team and raise it formally using our Grievance Procedure.

Our zero-tolerance approach to modern slavery must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter.

An annual statement of compliance is posted on the Company's website.

12.7. TRAINING

Training on this policy, and on the risk our business faces from modern slavery in its supply chains, forms part of the induction process for all individuals who work for us, and compliance training will be provided as part of the internal audit process.

12.8. BREACHES OF THIS POLICY

Any employee who breaches this policy may face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

13. LEARNING & DEVELOPMENT POLICY

13.1. INTRODUCTION

This document sets out our policy regarding the Company's approach to learning and development. The Company is committed to ensuring that employees have the required skills and knowledge to perform work to a consistently high standard and achieve their full potential. Our aim is for everyone to work to the best of their ability, in a safe environment whilst demonstrating our company values.

The policy aims to ensure that all employees and managers have a clear understanding of:

- The value we place on developing our people.
- The methods, tools and support available.
- The process to access relevant compliance and developmental training and qualifications.

13.2. SCOPE

This policy applies to all employees on a permanent or fixed-term contract. It does not apply to agency workers or self-employed contractors. This policy is not a contractual term of employment and confers no legal rights upon employees but is intended to act as a general framework.

13.3. AIMS

The Learning and Development Policy will:

- Support the Company in achieving its vision of becoming an employer of choice, whilst demonstrating our Company Values
- Ensure that the Company's duties are fulfilled with regards to the provision of training and demonstrating competency under general legislation such as the Health and Safety at Work Act and under specific law and guidance such as the Provision and Use of Work Equipment Regulations
- Ensure that all employees have the relevant knowledge, skills and expertise to achieve their full potential and perform their work to a consistently high standard
- Facilitate individuals in gaining relevant training and qualifications necessary for competence in their role and for developing new skills for current and future roles
- Ensure that all employees have equality of opportunity and access to learning and development
- Support the Company's succession planning by providing pathways for our people to grow and develop
- Support the Company's commitment to continually improving employee engagement

13.4. EQUAL OPPORTUNITIES

The Company is committed to ensuring equality of training and development opportunity, and therefore no employee will be excluded on the grounds of gender, marital status, sex, religious belief, disability, age, race, parental situation or sexual orientation. Part time and fixed term employees will also have equal access to learning and development opportunities that are appropriate to their role.

13.5. RESPONSIBILITIES

Managers are responsible for:

- Providing a robust and thorough induction for new employees in addition to the online induction learning plans.
- Identifying employee training needs during regular 1-1's and/or annual Performance Development Reviews (PDR), gaps in the skills matrix or the Training Needs Analysis (TNA) process. These should be managed throughout the year .
- Ensuring adequate technical competency cover under health, safety and environmental law.
- Ensuring that any training certificates are sent to the HR Team for logging on the Learning Management System.
- Supporting the application of learning and giving regular feedback.
- Evaluating effectiveness of any learning and development undertaken.

The HR Team is responsible for:

- Working in partnership across the organisation to assist in the sourcing of appropriate and cost-effective solutions to support learning and development needs.
- Coordinating the annual Training Needs Analysis (TNA) process.
- Advising applications for support with further education and professional qualifications

appropriate to business needs.

- Processing Training Request Forms received from a member of the Senior Management Team and auditing against assigned TNA budget.
- Developing and tailoring solutions and interventions that will support the development of technical and behavioural skills.
- Analysing development needs and making recommendations to address these.
- Ensuring the approved training providers list is up to date and applicable.
- Communicating learning and development interventions to the business.
- Continually evaluating key learning activities.
- Promoting equality of access and opportunity to learning and development.

Employees are responsible for:

- Committing to undertake and successfully complete any training activity that the Company deems to be mandatory.
- Proactively seeking out learning and development activities to meet their agreed needs and objectives.
- Discussing needs with their line manager and agreeing priorities.
- Committing to a relevant development activity as required to ensure they continue to grow, learn and reach their full potential.
- Being flexible in their approach and committing to successful completion of learning and applying this in their work.
- Attend training that has been scheduled on their behalf as a result of the PDR process.

13.6. INDUCTION OF NEW EMPLOYEES

Line managers must ensure the following:

- All new employees have completed their online induction plan within their probation period.
- Following any changes in responsibility, including promotions or transfers, an induction must take place on any risk assessments, operating procedures, site rules, company standards etc. relevant to the employee's new position.

13.7. IDENTIFICATION OF TRAINING AND DEVELOPMENT NEEDS

The Company aims to provide an environment where continuous development can take place and where employees are supported and enabled to meet the changing demands and priorities of the business.

To achieve this aim, learning and development needs will be annually reviewed through the TNA process which will determine all known training for the year and will determine training budgets per department. Development should also be regularly reviewed through 1-1 discussions. Employees are encouraged to play an active part in identifying their own learning needs, selecting appropriate learning methods and in assessing the outcomes and effectiveness of their learning. As part of regular 1-1 meetings with employees, line managers are asked to discuss interventions that will improve an employee's job performance, personal development or career potential.

If training requests are not captured in the TNA process, ad hoc development can be requested as per section 13.15 of this policy.

For those individuals already employed with the Company who move to a new role/department, consideration should be given to any additional skills, competence, or knowledge required and appropriate development identified and progressed to enable the employee to successfully transition and succeed in their new role.

13.8. SPONSORSHIP FOR PROFESSIONAL QUALIFICATIONS

We recognise the mutual benefit, to both the employee and the Company in individuals attaining recognised educational and vocational qualifications or certificates to underpin a chosen career path. We will therefore consider supporting employees who wish to complete a period of formal study leading to educational and vocational qualifications or certificates, with financial assistance.

The participation of both the employee and the Company in this scheme represents a significant investment, therefore employees wishing to undertake formal study, and who are seeking sponsorship from the Company will firstly need to discuss this with their line manager to consider the suitability of the study given their role, business objectives and their personal development plan. Individuals and line managers should also consider the impact of any absence for exams and/or study leave and consider possible ways to mitigate this.

Before progressing a request, careful consideration should be given to any minimum entry qualification required to take part in the programme and the level of personal commitment required to complete their chosen qualification/certificate.

The employee must follow the request process highlighted in this document before making any commitment to a learning provider.

There are several routes to accessing formal study such as evening courses, half-day release, block release and distance learning.

13.9. CRITERIA FOR ACCEPTANCE

In considering the application for sponsorship employees must meet the following criteria:

- Have successfully passed their probationary period.
- The benefit to the Company and the Department can be demonstrated and that this will have a measurable impact on the effectiveness/ability of the employee to perform their role.
- They must be able to continue to meet their objectives and maintain the required performance levels during the study period.
- Agree to sign the Training Payback Letter if applicable and be bound by its terms.
- Not be serving their notice period or due to leave the Company within 12 months.

13.10. RESPONSIBILITIES

The line manager should:

- Assess the need for the qualification against the employee's development and career plan and ensure there is a link between the qualification, objectives and longer-term career goals.
- Check whether the proposed study plan will have any disruption to the employee's normal working hours and/or affect any work routine or processes of the Company.
- Approve any study leave and ensure all candidates' work is completed, handed over, or covered before the leave period begins.
- Review and sign off any practical experience / CPD requirements as required.

The employee should:

- Attend all course sessions, including tutorial, revision and exam practice days.
- Be responsible for booking exams as early as possible to avoid late booking fees.
- Act as a representative of the Company when undertaking professional study, maintaining our

- Company values and standards of conduct whilst on any aspect of the course.
- Agree to sign a Training Payback Letter if applicable and adhere to the terms.

13.11. FINANCIAL ASSISTANCE

Employees are expected to arrange travel, subsistence and hotel requirements to attend development activities. These costs can then be reclaimed as per the Expenses Policy although prior authorisation is required.

If financial assistance is agreed, a Training Payback Letter must be signed if the investment in the individual is for personal development. Please confirm with the HR Team on this point.

Approval for further education or specialist training will be subject to a signed letter of agreement by the employee that they are required to refund full or part of the training costs to the company in the event that they leave the company within 2 years as detailed below:

- From the start of the course: - 6 months' post completion of the course = 100%
- 6 – 12 months' post completion of the course = 75%
- 12 – 18 months' post completion of the course = 50%
- 18 – 24 months' post completion of the course = 25%

13.12. STUDY AND EXAM LEAVE

Employees who undertake professional qualifications will be provided with a minimum of 6 hours protected study time per week during the term. There is an expectation that additional study hours that may be required will be incurred in the employee's own time as part of their commitment to their personal development plan.

Employees will be given reasonable time off to study for any exams which may be required as part of their course and this should be discussed with their line manager.

13.13. CHANGES TO ROLE

Any changes to the individual's role/department which may affect their ability to continue their studies, must be discussed with the line manager and communicated to the HR Team immediately, so that consideration can be given to the most appropriate course of action.

13.14. EVALUATING TRAINING AND DEVELOPMENT

As a significant level of organisational resource is invested in learning and development it is important to evaluate the success of these interventions. Whilst some training will result in a certification of technical competence, other interventions at a behavioural level may require further evaluation through feedback from line manager and colleagues, such as 360° reviews, annual PDRs and regular 1-2-1s.

13.15. TRAINING APPROVAL PROCESS

All training will be captured annually as part of the Training Needs Analysis which is collated via the PDR process and approved at that time. If any development needs are requested outside of this process, the following will apply:

- Employee/manager identifies training need and holds discussion and the HR Team notified.
- Manager completes Training Request Form.
- If budget required is to be used in place of a TNA request, form only to be signed by Department Head.

- If request is to be funded by alternative budget outside of Training Budget, the Training Request Form to be signed by relevant Executive Leadership Team member.
- Manager and the HR Team assesses requirement for Training Payback letter and issue if required.

13.16. TRAINING RECORDS

Employees' training records will be managed and stored by the HR Team within the HR Information System

14. EXPENSES POLICY & PROCEDURE

14.1. ABOUT THIS POLICY

This policy deals with claims for reimbursement of expenses, including travel, accommodation and hospitality.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

14.2. PRINCIPLES

The following principles must be applied when employees incur expenses on behalf of the company:

1. That there is a legitimate business reason for the expense;
2. That the expense represents a balance of economy, efficiency and effectiveness and therefore that value of money has been considered
3. All travel must be authorised in advance by the relevant line manager
4. All travel bookings are made through the appropriate Travel Management Company and are in accordance with the company Travel Policy (see finance for details).

14.3 SUBMISSION AND AUTHORISATION OF EXPENSES

The Company will reimburse expenses properly incurred in accordance with this policy. Any attempt to claim expenses fraudulently or otherwise in breach of this policy may result in disciplinary action.

Expenses will only be reimbursed if they are:

1. Submitted to the Finance department on the appropriate claim form,
2. Submitted as soon as possible, and in any event, claims must be submitted within 2 months of being incurred,
3. Authorised by the claimant's line manager or Head of Department supported by relevant documents (for example, VAT receipts, tickets, and credit or debit card slips) and,
4. For any items that do not have a receipt, a Lost Receipt Form (contact Finance) must be completed and approved by your manager prior to sending with your expense forms.

Sole accountability for validating the expense claims and checking that all claims are in line with the policy rests with the claimant and the authoriser. Any exceptions to the policy must be authorised by the Head of department.

Claims for authorised expenses submitted in accordance with this policy will be paid directly into your bank/building society account.

Any questions about the reimbursement of expenses should be put to your line manager before

you incur the relevant costs.

14.4 TRAVEL EXPENSES

All travel bookings without exception, should be made through the appropriate our Travel Management Company and are in accordance with our Travel Policy (see finance for details).

We will reimburse the reasonable cost of necessary travel in connection with our business. Each employee has an obligation to seek the best value for money in all types of expense in conformance to this policy. For example, in respect of travel this may mean considering alternatives such as virtual conferencing. If travel is necessary, then the most economic means of travel should be chosen where practicable. The following are not treated as travel in connection with our business:

1. Travel between your home and usual place of work;
2. Travel which is mainly for your own purposes; and
3. Travel which, while undertaken on our behalf, is similar or equivalent to travel between your home and your usual place of work.

All travel must be authorised in advance by the relevant line manager.

I. Trains. We will reimburse the cost of standard class travel on submission of a receipt with an expense claim form.

II. Taxis. We do not expect you to take a taxi when there is public transport available, unless it is cost effective due to a significant saving of journey time or the number of employees travelling together, and journey is less than 30 miles. A receipt should be obtained for submission with an expense claim form.

III. Car. Where it is cost effective for you to use your car for business travel, and you have been authorised to do so, you can claim a mileage allowance by completing the mileage claim and submitting a valid fuel receipt. Details of the current mileage rates can be obtained from the Finance department. You can also claim for any necessary parking costs which must be supported by a receipt or the display ticket.

All car rentals must be booked through the Travel Management Company.

- If the journey is less than 130 miles a small car must be booked.
- If the journey is more than 130 miles a mid-size car may be booked.

We will not reimburse penalty fares or fines for parking or driving offences, other than at our discretion in exceptional circumstances.

IV. Air travel. If you are required to travel by plane in the course of your duties, you should discuss travel arrangements with your line manager in advance. The choice of an airline should not be determined by air miles or equivalent schemes, value for money must be the main priority. On all flights lasting six hours or less air travel must be economy class or low-cost carrier. Travel in a different class (i.e. premium economy) will only be authorised for flights of over six hours.

V. Accommodation and other overnight expenses.

1. Employees are allowed to book overnight accommodation where:

2. Their round trip to attend a one-day business related event is in excess of 6 hours, i.e., 3 hours each way.
3. Their round trip to attend a business event on two or more consecutive days is in excess of 4 hours, i.e., 2 hours each way.
4. Head of Department approval is required in advance of booking accommodation where the criteria above does not apply.

Where accommodation is required, you should select the most cost-effective option. Hotels in the UK should not exceed £150 per night including breakfast and £200 for London.

We will reimburse your reasonable out-of-pocket expenses for overnight stays provided they are supported by receipts as follows:

- Breakfast up to a maximum of £10 a day (Hotel £20); and
- Lunch up to a maximum of £10; and
- Evening meal up to an overall maximum of £30 inclusive of drinks

15. ANNUAL LEAVE POLICY & PROCEDURE

15.1. AIMS

The Company is committed to treating all employees fairly, whether part-time or full-time, giving all employees time off work to which they are entitled as annual leave, and to comply with the Working Time Regulations 1998. It is also important that employees have appropriate time off work for health and safety reasons.

15.2. RESPONSIBILITY

With the ongoing support and guidance of the HR Team, it is the responsibility of line managers and employees to ensure that this document is adhered to as set out below.

15.3. ANNUAL HOLIDAY ENTITLEMENT

Entitlement to annual holiday is as set out in the statement of main terms and conditions of employment and/or the relevant LPA Handbook which is inclusive of public holidays.

Holidays will ordinarily be taken in line with factory shutdowns which will be displayed in advance on employee notice boards throughout the Company's factories/offices.

Set out below are the key principles:

- The holiday year begins on 1 April and ends on 31 March.
- A maximum of 5 days annual leave carryover is allowed, and only in the event that annual leave has been requested and declined for business reasons. Failure to request leave is not a valid reason for carrying annual leave over and any untaken days will be lost.
- During employment, payment may be offered in lieu of holiday entitlement however this is at the discretion of the Company and employees must have taken at least the statutory minimum annual leave entitlement (28 days) before payment in lieu can be considered.
- It is important that holidays, within each team of employees, are staggered so that the team can continue to function. To that end, holidays are generally allowed on a first come, first served basis.
- Other than company-stipulated holidays or shutdowns (which are communicated in the annual

holiday list), any holidays must be requested and authorised using SLG & Me self-service. A holiday is not deemed to have been authorised until the line manager grants the holiday request.

- Employees starting with or leaving the Company will be granted holidays on a pro rata basis. Pro rata holiday entitlement will be calculated based upon complete weeks employed. Part days accrued will be rounded to the nearest half day.
- For part-time workers and some shift workers, holiday entitlement is calculated on a pro rata basis depending on contracted hours and shift patterns.
- Employees leaving the Company's employment are eligible for payment of holidays outstanding. The number of days will be calculated on the basis on 1/52 of the annual holiday entitlement for each completed week of employment since the start of their holiday year. The payment will be calculated by dividing the annual salary by the number of the employee's working days in the year and multiplying this by the number of days the employee is entitled to.
- The authorisation of lengthy holidays, i.e. in excess of two weeks at any one time, to a maximum of three, must be authorised by a member of the executive Team and, if granted, in no way sets a precedent.
- Holidays cannot be requested or authorised to compensate for days during which the employee has actually been absent due to sickness. Holidays cannot be requested or authorised retrospectively.
- Failure to return from holiday and report for work on the due date of return without reasonable justification will be treated as an unauthorised absence. This is a disciplinary offence and will be dealt with in accordance with the Company's disciplinary procedure.
- If, on termination of employment, holiday entitlement has been exceeded, the excess will be deducted from any monies payable by the Company. If holiday is owed to you, the Company may at its discretion require the holiday to be taken in your notice period or pay you a sum in lieu of accrued holiday.

16. SICKNESS ABSENCE POLICY & PROCEDURE

16.1. AIMS

This policy relates to all categories of Company employees. It sets out procedures for the reporting and management of sickness and absence in a consistent and fair way across the Company. All arrangements for managing sickness and absence are conducted in keeping with the Company's Equal Opportunities policy.

Employees who are ill will be treated sympathetically and every effort will be made to assist their recovery and safeguard employment whilst managing sickness absence in accordance with this policy. It is recognised, however, that the loss of working days through repeated sickness absence can be a significant cost to the Company in terms of work not completed or the costs of arranging absence cover. Repeated sickness absence also places additional pressure on colleagues. The responsibility for monitoring and controlling sickness absence lies with line managers and with those to whom the day-to-day supervision of employees is delegated.

Members of the HR Team are available to advise and assist managers in the application of this policy at any stage.

- To ensure that, in the event of a period of absence from work, the appropriate legislation and Company processes and procedures are understood and adhered to.
- Where the reason for sickness is ill health, to ensure that employees are fit to carry out their duties on return to work following a period of sickness and that a return to work is consistent

with their health and welfare and will not impair their health or welfare.

16.2. RESPONSIBILITY

With the ongoing support and guidance of the HR Team, it is the responsibility of line managers to ensure that this document is adhered to as set out below:

Line managers are responsible for ensuring:

- The HR Team is informed of all absences from day 1 and are entered into Zeus.
- Regular and frequent contact with employees is maintained.
- That for any sickness absence of up to and including 7 calendar days, a Self-Certification form is obtained, and a copy is sent to the HR Team.
- That if the sickness absence lasts longer than 7 calendar days, medical certification is obtained and sent to the HR Team.
- That no matter how long the absence, a return-to-work interview is completed.
- Welfare and/or informal counselling meetings are conducted where appropriate in terms of short frequent absences and long-term sickness.
- Advice is sought from the HR Team and/or Health & Safety Team where occupational health referrals are necessary.

The HR and Health & Safety Teams are responsible for:

- Supporting welfare meetings where necessary.
- Ensuring that sufficient occupational health resource is available to allow the requirements of this document to function.

Employees are responsible for:

- Following the sickness absence reporting procedure and providing medical certification as required.
- Maintaining regular contact with their line manager when absent from work for whatever reason.
- Complying with requests to attend occupational health, and to undergo a medical examination where reasonable to do so. Should an employee refuse to attend a referral this will be considered a disciplinary offence and will be dealt with in accordance with the Company's disciplinary procedure.
- Contacting their line manager to let them know, as far in advance as possible of the proposed date of being fit to return to work.

16.3. PROCEDURE

- If an employee is off sick and cannot attend work they should contact their line manager (or the person designated for this purpose within the department/site) by telephone as soon as possible, and no later than 1 hour before their contracted start time. If the line manager is unavailable, the employee should contact a more senior manager within the business.
- The employee should not normally ask anyone else to make contact on their behalf unless it is not possible for them to make contact personally.
- If the employee has a flexible or irregular work pattern, they should make contact as early in the day as possible if they are expected at work.
- Reporting absence by email or text message is not acceptable.
- The employee should give details of the nature of their illness and indicate when they believe they will be fit to return to work.
- The employee must maintain regular contact with their line manager and inform them as soon

as possible of any change in the date of their anticipated return to work.

- If the absence is expected to be of 7 calendar days or more (including rest days), it should be communicated any steps that the employee is taking in relation to it such as details of any doctor's appointments arranged.
- A copy of the fit note/medical certificate should be sent to the Company if the absence is likely be longer than 7 calendar days.
- Where possible, the employee should provide details of any outstanding or urgent work that needs to be dealt with during the employee's sickness absence.
- The employee must provide details of how they can be contacted if necessary, especially if the employee is staying at a different address during the absence period.
- If an employee becomes ill whilst at work and feels too unwell to continue working, they must speak to their line manager before leaving work (either temporarily or for the day) and/or to seek medical advice where appropriate.
- Absence from work for part of a working day will be recorded as sickness absence.
- If the manager (or designated person) suspects that the reason given for the absence may be caused by work activities, they must contact the Health & Safety Team and/or the HR Team immediately for advice and ensure that the accident reporting company standard is followed where applicable.
- If an employee fails to follow the sickness absence reporting procedure set out in this document, this will be treated as an unauthorised absence and the employee will be deemed absent without leave (AWOL). This will be considered as a disciplinary offence and will be dealt with in accordance with the Company's disciplinary procedure.
- Failure to return from sickness absence and report for work on the due date of return without reasonable excuse is a disciplinary offence and will be dealt with in accordance with the Company's disciplinary procedure.

16.4. FIT NOTES

The advice in the fit note is about the employee's fitness for work in general, and not specifically about their current job. This is designed to give the Company maximum flexibility to discuss possible changes to help them return to work. It should indicate:

- If the employee is likely to need a new fit note when their current one expires.
- The start and end dates are inclusive, for example; a fit note dated from 2 April to 10 April will no longer apply from 11 April onwards. It may cover an earlier period if the doctor judges that their condition affected their fitness for work before the assessment date.

Doctors do not always issue fit notes during the first seven days of sickness absence. Employees can self-certify for this time.

If a hospital doctor has issued the fit note, they may also receive a yellow Med 10 form stating the time the employee has spent as a hospital inpatient. The Company requires a copy of all fit notes, but the employee should keep the original as they may need it for other purposes.

Where a fit note says that an employee may be fit for work the manager should discuss with the employee whether there are any changes that can be accommodated to their job role which could help them return to work. This will also be subject to appropriate risk assessment(s) being carried out where necessary.

If changes cannot be agreed, the fit note should be treated as if it says the employee is not fit for

work and used as described above.

16.5. SHORT TERM ABSENCE MANAGEMENT

Persistent short-term sickness absence may be a disciplinary matter and, if so, will be dealt with in accordance with the Company's disciplinary procedure.

If an employee's level of absence is a concern or where there is a noticeable pattern, these will be explored further in addition to the return to work interview process. Please note that the Company reserves the right to monitor and analyse employees' absence data. Where an employee's level of absence is a concern, a letter of concern is likely to be issued in the first instance. The letter of concern is used to facilitate and document a conversation covering any issues an employee may have which has resulted in their short-term persistent absence. This will also help with the following:

- Giving the employee the opportunity to discuss any problems or raise any concerns.
- Deciding whether any further action is required such as a referral to occupational health and/or arrange Company support where necessary.
- Setting a target for improvement and a period over which absence levels will be monitored, usually 6 months.

The Company may consider formal action in cases where the improvement to the employee's attendance is not substantial and sustained. Please find below the guidelines and trigger points for short-term absence management.

- Three occasions of absence in a six-month period: letter of concern
- One further absence within a six-month period following a letter of concern: written warning.
- One further absence within a nine-month period following a written warning: final written warning.
- Two further absences within a twelve-month period following a final written warning: formal action which may result in dismissal.

Where an employee has persistent short-term absence which appears to be caused by an underlying medical condition, the Company may choose to manage this using the long-term absence process (below) where this is believed to be more appropriate.

16.6. LONG TERM ABSENCE MANAGEMENT

In cases of long-term absence (more than four weeks off work) the line manager must consider the following:

- Reviewing the attendance record during the relevant period.
- Regular and frequent contact with employees is recommended. What form that contact takes and how regular and frequent it is, can be determined on a case by case basis, in consultation with the HR Team.
- Where appropriate the Company may request an occupational health report. The report will be used to establish the likely length of absence and any long-term effect on capability in relation to job performance and attendance at work including any possible amended duties that may be required. The employee will be advised of their rights under the Access to Medical Reports Act 1988 by occupational health. Should an employee refuse to attend a referral this will be considered as a disciplinary offence and will be dealt with in accordance with the Company's disciplinary procedure.

- The employee will be entitled to view any reports before they are passed to the Company.
- If the attendance record does not improve, or if the employee's long-term absence continues, a welfare meeting will be arranged by the manager. At this point if the employee is unable to return to work in any capacity, and unless the Company has reasonable grounds to believe that there will be an improvement in the foreseeable future, the Company's decision to dismiss the employee by reason of capability will be explained along with the employee's right to appeal against the decision. The employee may be accompanied by a representative; the representative should be either a Union representative or an employee of the Company.
- The employee's termination date will take into account the contractual period of notice.
- In the event of a fit note advising a return to work based on advice given by a doctor, the Company reserves the right to make the final decision regarding fitness for work based on more detailed knowledge of the environment and the role. The Company also reserves the right to decline a request to return to work if it is felt that there is a possibility of this creating a risk to the employees or the Company. If the Company has reasonable justification to believe that the occupational health advice is not realistic on these grounds, the above will apply.

16.7. WITHHOLDING SICK PAY

The Company reserves the right to withhold sick pay in circumstances where the absence reporting or fit note/medical certification procedure has not been followed, or where there is sufficient reason to doubt the validity of the employee's sickness absence. In the latter circumstances, the Company may request the employee to undergo a medical examination.

16.8. ACCESS TO MEDICAL RECORDS

It may be necessary for the Company to request a medical report from your doctor/specialist or refer you to occupational health in circumstances of persistent short term absence, long term sickness or if you are incapable of performing your normal duties.

This is to establish:

- The reason for, and likely duration of, the absence or medical condition
- When you will be able to return to work or carry out your normal duties
- Whether the problem will recur or worsen
- What adjustments can be considered to enable your return to work
- What treatment is required, if any
- Whether you can carry out all the duties of the job

This will enable the Company to plan workloads and to consider how we can help you return to work and to carry out the work for which you are employed. It is in the interest of both yourself and the Company to establish, with the benefit of expert medical opinion, your ability to work.

You have certain rights under the Access to Medical Reports Act 1988. Your doctor/specialist will not provide the Company with a medical report without your express consent. You will be asked to provide authorisation by signing a consent form.

Should you unreasonably delay or refuse consent for the Company to obtain a medical report, or should the Company arrange an Occupational Health appointment and you fail to attend that appointment, you may be subject to disciplinary action. The Company may also take a decision regarding your continuing employment without the benefit of a medical opinion.

16.9. DISABILITIES & MEDICAL CONDITIONS

We understand that sickness absence may result from a disability. At each stage of the sickness absence meetings procedure, particular consideration will be given to whether there are reasonable adjustments that could be made to the requirements of a job or other aspects of working arrangements that will provide support at work and /or assist a return to work.

If you consider you are affected by a disability or any medical condition which affects your ability to undertake your work, you should let your line manager know as soon as possible so this can be taken into consideration as early as possible.

If your medical condition will affect your ability to drive, you must inform the DVLA and provide your line manager with relevant correspondence.

17. DISCIPLINARY POLICY

17.1. AIMS

It is the Company's policy to abide with relevant Employment Legislation and to follow best practice guidelines issued by ACAS. These will be observed at all times, to ensure that all actions carried out in the context of disciplinary procedures or grievance resolutions are done objectively and fairly.

Many potential disciplinary issues can be resolved informally. However, where an issue cannot be resolved in this way, for example where such an approach is considered likely to be ineffective or inappropriate, or where the misconduct or unsatisfactory performance is more serious, the formal procedure set out below may be pursued formally. This policy sets out the basic requirements of fairness that will be applicable in most cases and it is intended to provide the standard of reasonable behaviour.

17.2. RESPONSIBILITIES

It is the responsibility of all Managers who have direct or indirect reports to ensure that the guidance below is followed.

There are legal implications if the procedure is not followed accurately and the HR Team must be involved from the first instance.

17.3. INTRODUCTION

This document specifically covers disciplinary action – action taken in the event of misconduct. In the case of poor performance (i.e. capability) please refer to the Performance Improvement Policy

If disciplinary action becomes necessary, then such action will be taken subject to the charges being reasonably established and extenuating circumstances being taken into account.

Managers will use their best efforts to:

- Ensure that all cases are investigated thoroughly
- Avoid any discrimination or bias
- Prepare carefully and be consistent
- Adhere to this procedure

17.4. INDEX

While the basic principles contained in this document cover all types of action in relation to disciplinary matters, the following areas are covered below:

- Investigation
- Suspension
- Written Statement
- The Hearing
- Decide on Appropriate Action
- The Appeal Hearing

17.5. PROCEDURE

This procedure must be followed when carrying out disciplinary action.

17.5.1. INVESTIGATION

Before any disciplinary action is considered, an investigation must be carried out, ensuring that the investigation is independent and thorough, and covering all the relevant circumstances of the case. In most cases this will require the holding of an investigatory meeting with the employee before proceeding to any disciplinary hearing. In others, the investigatory stage will be the collation of evidence by the Investigating Manager for use at any potential disciplinary hearing or in cases of extreme gross misconduct, where the Company has no alternative but to dismiss the employee immediately. No notice is required prior to the investigation meeting. To ensure impartiality different people must carry out the investigation and disciplinary hearing.

17.5.2. SUSPENSION

It may be necessary to suspend the employee. Suspension is not disciplinary action and does not mean that the issue has been pre-judged. Suspension can be used when it is necessary to remove an employee from the workplace pending an investigation. For example, to allow time for a 'cooling down period' for both parties, for their own or others protection, to prevent them influencing or being influenced by others, where there is a perceived risk to the business, or to prevent possible interference with evidence. Only the line manager of the employee or their superior, following consultation with the HR Team, has the authority to suspend an individual.

An employee suspended from duty will receive written confirmation within 5 working days which will include:

- The reason for the suspension
- The date from which the suspension will operate

17.5.3. WRITTEN STATEMENT

When informing an employee that they are required to appear at a disciplinary hearing this will be done in writing. This must include a written statement setting out the alleged misconduct and the possible consequences to enable the employee to prepare to answer the case at a disciplinary hearing. It is also appropriate to provide copies of any written evidence, which may include any witness statements, with the notification as well as instructions on how to view any video footage if this also forms part of an investigation.

The notification should also give details of the time and venue for the disciplinary hearing and advise the employee of their statutory right to be accompanied to the hearing by a colleague or a trade union representative. To exercise their statutory right to be accompanied an employee must make a reasonable request. What is reasonable will depend upon the circumstances of each individual case. However, it would not normally be reasonable for an employee to insist on

being accompanied by a companion whose presence would prejudice the hearing, nor would it be reasonable for an employee to ask to be accompanied by a companion from a remote geographical location if someone suitable and willing was available on site.

If the person chosen to accompany the employee cannot make the allotted time, the employee may ask for the hearing to be postponed for up to a maximum of five working days.

The companion should be allowed to address the hearing to sum up the employee's case, and confer with the employee during the hearing. The companion does not however have the right to answer questions on the employee's behalf, address the hearing if the employee does not wish it, or prevent the employer from explaining their case.

It is important that in arranging a hearing it should be far enough ahead that the employee has had time to think about the written statement, but it should not be delayed too long. The employee has a duty to take all reasonable steps to attend.

Hearings must be at a reasonable time and in a convenient location. If the employee or person accompanying them is disabled, then reasonable provisions must be taken to ensure that they can participate fully.

Where an employee is unable or unwilling to attend a disciplinary hearing without good cause on more than one occasion, or if the Company has reasonable belief that the employee is attempting to avoid the hearing, the disciplining manager should hold the hearing in the employee's absence, make a decision on the evidence available and inform the employee of the outcome in writing.

17.5.4. THE HEARING

At the hearing the disciplining manager should explain the complaint against the employee and go through the evidence that has been gathered. The employee should be allowed to set out their case and answer any allegations that have been made. The employee should also be given a reasonable opportunity to ask questions, present evidence, and call relevant witnesses. They should also be given an opportunity to raise points about any information provided by witnesses. Where the disciplining manager or employee intends to call relevant witnesses, they should give advance notice that they intend to do this. The outcome decision, following the conclusion of the hearing, must be taken and communicated in writing to the employee.

17.5.5. DECIDE ON APPROPRIATE ACTION

Where misconduct is confirmed, or the employee is found to be performing unsatisfactorily after the hearing, the disciplining manager will decide whether or not disciplinary, or any other action, is justified. The outcome will be communicated in writing to the employee.

The disciplinary procedure will be used in cases of breaches of the rules or poor performance which have not been remedied by informal counselling. Normally the procedure will follow the stages listed below although the Company reserves the right to move immediately to stages 3 or 4 if cases appear serious.

Usually the procedure will be as follows:

- **Stage 1:** Written warning will usually be valid for six months.
- **Stage 2:** Final written warning will usually be valid for twelve months. In extremely serious

cases, which would normally warrant summary dismissal but in which, because of mitigating circumstances, a final warning is given instead, that warning may be expressed as remaining valid for an appropriate period exceeding nine months.

- **Stage 3:** Dismissal or suspension. Where an employee has been found guilty of gross misconduct (in which case, stages 1 and 2 may be omitted), or where the employee has failed to meet the required standards after due warnings have been given, the employee may be dismissed. In extenuating circumstances, the Company may apply another sanction such as disciplinary transfer, demotion, or downgrading which may incur financial loss as well as loss of status.

All warnings should set out the nature of the misconduct or poor performance and the change in behaviour or improvement in performance required (with timescale). The employee should be informed of the consequences of further misconduct, or failure to improve performance, within the set period following a warning. For instance, that it may result in further disciplinary action, dismissal or some other contractual penalty such as demotion or loss of seniority.

The employee should be informed as soon as possible of the reasons for the dismissal, the date on which the employment contract will end, the appropriate period of notice and their right of appeal.

Some acts, termed gross misconduct, are so serious in themselves or have such serious consequences that they may call for 'summary dismissal' without notice for a first offence. However, a fair disciplinary process should be followed before dismissing for gross misconduct.

Examples of misconduct and gross misconduct are found on page 6 of this document.

At the same time the employee must be given the opportunity to appeal against the decision if it goes against them. There will be a time limit of 5 working days to appeal in writing. The employee must also be informed that it is possible that the Appeal could support, retract or increase the original decision. The original decision will only be increased in cases where new evidence is brought to light.

17.5.6. THE APPEAL HEARING

If the employee wants to appeal, it must be received in writing within 5 working days.

The same procedure applies to this hearing as to the disciplinary hearing.

If possible, a manager more senior than the manager who held the disciplinary hearing should hear the appeal hearing.

Following the appeal hearing the employee must be told in writing of the decision and it be made clear that the decision is final.

EXAMPLES OF GROSS MISCONDUCT

THEFT AND FRAUD

- Abuse of the Company sick scheme
- Deliberate falsification of records
- Deliberate/wilful damage to the Company's property, and that of any property belonging to the Company's actual or potential clients, customers or other employees.
- Falsification of time, payment or bonus records that could result in payments which have not been earned.
- Offering, giving or receiving any form of bribe or other similar inducement
- Receipt of money, goods, favours or excessive hospitality in respect of services rendered
- Theft from the Company or its employees, clients and suppliers.

BEHAVIOUR

- An act which brings or is likely to bring the Company into disrepute.
- Being under the influence of alcohol, drugs or any substances which impact performance and those around you
- Breach of Company copyright
- Indecent behaviour
- Loss of faith or trust and confidence in ability to perform role and/or lying.
- Making inappropriate comments on social networking sites which are defamatory, discriminatory, damaging, or libellous when discussing other employees or the Company itself.
- Misuse of the Company's property or name
- Providing false information to obtain appointment or promotion.
- Publication of material prejudicial to the Company's interests
- Serious assault or physical violence, actual or threatening to any Company employee or third party either on or off Company property. Committing any act of discrimination, harassment or bullying
- Serious insubordination – failure to follow a

reasonable instruction.

- Serious negligence which causes unacceptable loss, damage, or injury
- Smoking in prohibited areas
- Undertaking private work during working hours.

SAFETY

- Action which directly endangers others
- Breaches of Company procedures, rules, and policies
- Disregard of safety or written operating instructions
- Misuse of Company policies and standards.
- Misuse of Company vehicles
- Non-declaration of a personal interest which may infringe the employee's impartiality
- Refusal to a drugs and alcohol test
- Serious breach of an operating rule
- Serious breach of the regulator's rule
- Serious breaches of Company or statutory health and safety rules
- Unsafe working

COMPUTER-RELATED ISSUES

- Accessing or downloading pornographic images via the Internet.
- Deliberately blocking access or gaining any unauthorised access to any computer equipment and/or deletion of software, computer records, electronic documents or data files of the Company Breach of IT security rules
- Serious misuse of any hardware, software, Intranet or Internet.

EQUAL OPPORTUNITIES

- Committing an intentional act of racial or sexual harassment.
- Serious breach of The Equality Act 2010

CRIMINAL / CIVIL OFFENCES

- Any criminal/civil offence within or outside employment deemed to render the employee unsuitable for employment with the Company
- Inability to attend work as a result of

- incarceration for a period of time that would have a detrimental effect on business objectives
- Non-disclosure of a relevant unspent criminal conviction.

EXAMPLES OF MISCONDUCT BEHAVIOUR

- Disorderly conduct (including horseplay and/or other irresponsible actions)
- Failure to exhibit and behave according to the Company values, either in association with another offence or separately
- Insubordination including insolence or refusal to carry out a reasonable instruction.
- Insulting behaviour
- Persistent or inappropriate use of the Company's telephone and personal mobile phones for private calls, either incoming or outgoing
- Prolonged time-wasting
- Refusal to wear protective clothing or Company uniform.
- Third party pressure or complaint (subject to investigations)
- Use of foul language offensive to colleagues or others

PERFORMANCE

- Error resulting from poor workmanship.
- Failure to attend a training course without legitimate reason.
- Failure to meet targets, deadlines and/or objectives.
- Failure to work in an efficient and reasonable manner
- Negligent performance
- Poor customer service
- Quality of work below standard

TIMEKEEPING

- Early leaving.
- Persistent lateness and/ or being absent without leave (AWOL).
- Taking extended breaks without permission

SAFETY

- Minor breach of health and safety procedures

ABSENCE

- Failure to comply with self-certification rules.
- Failure to report sickness in line with policy obligations.

COMPUTER-RELATED ISSUES

- Inappropriate use of e-mail or Internet (gross misconduct in serious cases)
- Overuse of telephone, e-mail or Internet for personal reasons.

The Disciplinary Policy does not form part of any employee's contract of employment and the Company reserves the right to amend it at any time.

18. PERFORMANCE IMPROVEMENT AND CAPABILITY POLICY & PROCEDURE

18.1. PURPOSE

The Company is committed to establishing good relationships with all employees. Employees have a responsibility to carry out their work to an acceptable standard and will be given help, support and encouragement to do so. The Company's Performance Improvement Policy is designed to help and encourage all employees to achieve and maintain the expected standards of performance at work. It aims to promote fairness and consistency in the treatment of our employees as well as encouraging good employment relations.

18.2. AIM

This policy should be used when an employee's performance has been identified as falling below an acceptable standard. Its purpose is to provide a framework for resolving the issue, ideally through the improvement of the employee's performance. As a last resort, the policy specifies the circumstances in which the employee may be redeployed to more suitable work, demoted, or dismissed on the grounds of capability.

18.3. RESPONSIBILITIES

Anyone who is required to manage an employee's performance should ensure that they are fully conversant with this policy. The HR Team is additionally responsible for the review and, where necessary, updating of the policy and procedure.

18.4. PRINCIPLES

In the first instance where an employee's performance falls below acceptable standards, the employee will be informed where their performance falls short of the required standards and will be given guidance for improvement. This will normally be detailed in a Performance Improvement Plan (PIP).

A PIP will usually be in place during the informal and formal parts of the procedure as set out below. It is likely to be the same PIP, but it can be amended at any stage in the procedure to reflect improvement or decline in performance. All amendments to a PIP will be shared with the employee and thoroughly explained.

The Policy applies to all employees. The Company may amend this policy at any time and may vary it as appropriate. The Company will usually seek to address performance issues informally in the first instance. In serious cases however, it may be appropriate to progress straight to the formal performance management hearing stage outlined below, the employee will be informed that the outcome of the hearing could be up to and including dismissal.

18.5. PERFORMANCE IMPROVEMENT

Employees will be provided with a clear understanding of the standards of performance required. Performance issues will be dealt with in good time, efficiently and fairly. Employees will be given a fair opportunity to improve in terms of time, training and support where applicable. Should shortfalls or unsatisfactory performance be identified, they will be discussed with the employee and the expected standards will be communicated.

18.6. INFORMAL PERFORMANCE IMPROVEMENT MEETINGS

Employees will be given specific examples of where performance has fallen short.

The line manager and employee will discuss the following:

- The issue/concern regarding the employee's performance.
- The expected standard.
- Any additional support or training that is required.
- The date for the next review.

After the review period, the employee's performance will be re-evaluated, and if the employee's performance has reached acceptable standards, then they will be informed of this. If the performance is not acceptable then it may be appropriate to update or amend the PIP, or progress to a formal performance management hearing.

18.7. PERFORMANCE MANAGEMENT HEARING

Should an employee's performance fail to reach the desired standard, or the concerns are serious enough in the first instance, they will be informed in writing of the grounds on which the hearing is being convened. In particular, they will be informed where their performance is below an acceptable standard.

The hearing will normally be conducted by the employee's line manager or an appropriate member of management (this may be a Supervisor, depending on the level of the employee). The employee will be entitled to be accompanied by a fellow employee or trade union representative. At the meeting, the employee will have the opportunity to respond to any concerns regarding their performance and make representations about how the situation should be resolved.

The outcome of the meeting may be:

- Take no further action.
- Issue a first or final formal performance improvement warning.
- Offer to redeploy the employee to alternative work.
- Dismiss the employee.

Dismissal would only usually be the outcome in the event of the most serious performance failings or where first or final performance warnings have already been issued.

Following the issuing of a first or final performance warning the employee will be given a reasonable period in which to demonstrate improved standards of performance in line with the PIP before a further review hearing takes place. A first warning will remain live for 6 months. A final performance warning will remain live for 12 months.

Any offer to redeploy the employee will be entirely at the Company's discretion and may mean a reduction in salary, change in terms in conditions of employment or loss of status. The employee's rate of pay will reflect the rate for the new role when they are redeployed. Such an offer will be made only where the Company is confident that the employee will be able to perform well in the redeployed role. It will normally be offered only as an alternative to dismissal in circumstances in which the Company is satisfied that the employee should no longer be allowed to continue to work in their current role. While the employee is free to refuse any offer of redeployment, the only alternative available in the event of such a refusal will usually be dismissal.

If the Company believes that there is no alternative role available, or suitable for the employee, and the employee has not met an acceptable standard of performance, the organisation may decide to dismiss the employee. Any dismissal will be with any notice to which the employee is entitled, or payment in lieu of notice. The decision to dismiss together with the reasons for dismissal will be set out in writing and sent to the employee.

18.8. APPEAL

An employee has a right of appeal against the decision made at the performance management hearing. A request for an appeal should be sent in writing to the appropriate manager with the grounds on which they wish to appeal clearly stated. The request should be sent within five working days of the employee receiving written confirmation of their sanction.

An appeal hearing will be convened to consider the matter. It will normally be chaired by a more senior manager than the manager who conducted the original hearing. The employee will be entitled to be accompanied by a fellow employee or a trade union representative.

At the hearing, the decision to impose the sanction will be reviewed and the employee will be entitled to make representations as to the appropriateness of that decision.

The result of the hearing will be either to confirm the sanction, or substitute any outcome that was available at the hearing at which the sanction was imposed upon the employee.

The outcome of the appeal will be confirmed to the employee in writing, explaining the grounds on which the decision was reached. The outcome of the appeal will be final.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

19. GRIEVANCE POLICY & PROCEDURE

19.1. PURPOSE

The Company recognises that, from time to time, employees may wish to seek redress for grievances relating to their employment. These issues may include terms of employment, pay and working conditions, disagreements with co-workers, discrimination, and not having their statutory employment rights. In this respect, the Company's policy is to encourage free communication between employees and their managers to ensure that questions and problems, arising during the course of employment, can be aired and, where possible, resolved quickly and to the satisfaction of all concerned. In any case where a genuine grievance is raised, there will be no negative consequences for the employee.

An employee may raise a grievance which, when viewed objectively, is in reality a minor complaint or a query about their treatment. In such cases, an informal discussion with the manager in question may be sufficient to resolve the issue. Managers should, however, take care not to assume that an employee's grievance is minor, when it may in fact be very serious when viewed from the employee's point of view. Also, minor issues, if allowed to aggregate, can become a much more serious consolidated grievance over time.

Where an issue cannot be resolved informally the formal procedure set out below may be pursued. This Grievance Procedure sets out the basic requirements of fairness that will be applicable in most cases and it is intended to provide the standard of reasonable behaviour.

It is the Company's policy to abide with relevant Employment Legislation and to follow best practice guidelines issued by ACAS. These will be observed at all times to ensure that all actions carried out in the context of the grievance resolutions are done objectively and fairly.

19.2. RESPONSIBILITIES

It is the responsibility of all Managers who have direct or indirect reports to ensure that the guidance below is followed.

There are legal implications if the procedure is not followed accurately, and the HR Team should be involved from the first instance.

19.3. INTRODUCTION

This document specifically covers grievance, an action taken for the resolution of a dispute. Employees may have problems regarding their work, environment, or relationships, that they wish to raise and have addressed. A grievance procedure provides a mechanism for these to be addressed fairly and speedily before they develop into major problems.

Managers will use their best efforts to:

- Ensure that all cases are investigated thoroughly.
- Avoid any discrimination or bias.
- Prepare carefully and be consistent.
- Adhere to this procedure.

19.4. PROCEDURE

It is not always necessary to enter the Grievance Procedure. Most routine complaints and grievances are best resolved informally in discussion with an employee's immediate Supervisor. Dealing with grievances in this way can lead to a speedy resolution of problems.

The first formal stage should be a written report to the immediate Supervisor or Manager. Provision needs to be made for access to a Department Manager or a more Senior Manager for grievances to be dealt with, which involve the immediate supervisor or line manager.

After receipt of a written grievance, the employee will be invited to attend a hearing in order to discuss the grievance and should be informed of their statutory right to be accompanied. The Manager should respond in writing to the grievance within 10 working days of that hearing. If it is not possible to respond within this time, the employee should be given an explanation for the delay and told when a response can be expected.

If the matter is not resolved at this stage the employee can appeal the matter in writing with the departmental manager or a more senior manager.

The Departmental Manager or a more Senior Manager will arrange to hear the appeal within a specified period and should inform the employee of the statutory right to be accompanied. Following the appeal, the Department Manager should, where possible respond to the appeal in writing within a specified period. If this is not possible, then the employee should be given an explanation for the delay and told when a response can be expected.

Following the appeal meeting you must inform the employee of the decision, and make clear that it is final.

In circumstances where a grievance applies to more than one person and all are Trade Union members, it is more appropriate for the problem to be resolved through collective agreement between the Trade Union and the Company.

Where the grievance is against the relevant Director, it may be necessary to involve an external facilitator to resolve the problem. This can be done with mutual agreement in the form of alternative dispute resolution.

20. FLEXIBLE WORKING POLICY & PROCEDURE

20.1. PURPOSE

In recent years there has been a growing demand for flexible working, both from individuals who want to achieve a better balance between their work and home life, and from organisations which want to align their business needs with the way their employees work and customer needs. The Company acknowledges that its employees are most productive when they have achieved a work-life balance that enables them to meet their responsibilities outside work.

These guidelines are not exhaustive and have been summarised to include the key policy points. The Company's policies and procedures are in line with ACAS recommendations. Full details of these policies can be found on the ACAS website.

20.2. OVERVIEW

All employees have a statutory right to ask their employer for a change to their contractual terms and conditions of employment to work flexibly, provided they meet the following requirements:

- Must have employee status.
- Have been continuously employed by the Company for at least 26 weeks by the application date.
- Have not made a previous application to work flexibly within 12 months.

Requests for flexible working may be for a number of reasons, and equally there may be a number of different solutions which could be considered. Some examples may be:

- **Problem:** You are a single parent with a five-year old child. The cost of after-school care is making it difficult for you to cope.
- **Solution:** Your employer agrees that you can start and finish work earlier.
- **Problem:** You need to reduce from full to part time hours as you have been accepted as a foster parent but the role has a full time requirement.
- **Solution:** Your employer recruits another employee to work the role on a job share basis.

An employee who requests (or agrees to) revised working arrangements must do so voluntarily and should consider the potential financial implications of their choice on their salary, pension, benefits etc. It is not intended that these proposals be operated in a way that undermines existing contractual entitlements. Any approved request for revised working arrangements will mean a permanent change to the employee's terms and conditions of employment on completion of a trial period and there will be no right to revert back to the former hours of work once the trial period is satisfactorily completed, unless a temporary change has been explicitly agreed. Any changes in working arrangements must be confirmed in writing to the employee by the line manager and the HR Team should be notified to ensure contractual changes are made.

Line Managers are responsible for ensuring that opportunities for flexible working are offered consistently across their department where appropriate. Where the Line Manager proposes that

flexible working arrangements are made available to a group of employees within a department, the details should be communicated in writing to all employees to whom they apply. The HR Team must be involved in this process to ensure consistency.

Line Managers seeking advice on the working arrangements that could suit particular circumstances, or who would like advice on evaluating the appropriateness of a flexible working request, should contact the HR Team.

20.3. CRITERIA FOR DEALING WITH A REQUEST FOR FLEXIBLE OR REVISED WORKING ARRANGEMENTS

Managers must take the following into account when considering requests for alternative working arrangements:

- The potential benefits of the proposal which may include improved productivity, morale and commitment, retention of key employees and/or salary or other cost savings. Work must be as productive (or more so) following the implementation of any changes.
- The change must be feasible and have no adverse impact on the work of colleagues.
- The arrangements must have no adverse impact on the workload or health, safety and security of the individual concerned or their colleagues: Managers must be aware of the hazards of working outside the 'normal' day and should consult their Health & Safety policy in the first instance if they have any queries.
- Any additional administration required to implement the proposed arrangement must be practicable and cost effective.
- The change must be able to be managed effectively and may generate efficiency gains in terms of use of office space.
- The proposal must not hinder the achievement of individual, team or departmental objectives.
- If a proposal will affect an employee's pay they should be advised to take independent advice in order to ensure they understand how their pension may be affected.
- Where the arrangement proposed cannot be accepted for operational reasons, possible alternatives should be considered and discussed with the employee before a final decision is reached.
- Providing that there are no adverse operational or financial implications, requests should be considered favourably with a view to agreement, wherever practicable. When moving to a new or more flexible working arrangement, all parties should be aware of the need to monitor performance standards to ensure that they are effectively maintained.

If the employee is only looking for an informal change for a short period to their working hours or conditions, for instance to cope with a bereavement or to pursue a short course of study, the Company will consider allowing them to revert back to their old conditions after a specified period. Employees must be aware that if the Company approves their application under the right to request, they do not have a statutory right to request another variation in contractual terms for a period of 12 months, although they may still ask without the statutory right.

20.4. PROCEDURE

Employees making a request for a change to their working arrangements should set out in writing:

- The reason for their request.
- The change in working pattern requested.
- The requested start date.
- Any effect which the employee considers the change will have on the work of the department/team in which they work and suggestions for addressing these.

The Manager must arrange a meeting with the employee to discuss the request within 28 days. The employee is entitled to be accompanied at the meeting by a work colleague or trade union representative. If their representative is unable to attend the meeting, the employee can postpone the meeting to a more convenient date, where the postponed date is reasonable for all parties. However, if an employee doesn't keep to a meeting and any subsequent rearranged one without a reason, then the application will be deemed as withdrawn.

The meeting will provide the Manager and the employee with the opportunity to discuss the desired work pattern in depth and consider how it might be accommodated within the department. Both parties should be prepared to be flexible.

The HR Team can provide advice and assistance to managers in considering requests, particularly in providing advice on practice adopted elsewhere in the Company.

There may be exceptional occasions where the procedure cannot be followed within the specified time limits. For example, a Manager may need extra time to speak to another employee who is on holiday, about whether they could work the hours left uncovered by the employee's requested work pattern, or the employee may be about to commence a period of leave. Extensions of time limits must be in agreement with both the Manager and the employee and the Manager must make a written record of the agreement. The written record must specify the period the extension relates to, the date on which the extension is to end, be dated and sent to the employee. A final decision on the request for flexible working, including time for an appeal if required, should be made within three months of the request. This time period can be extended with agreement from the employee.

20.5. DECISION

Once the Manager and the employee have discussed the request, the Manager must notify the employee of the decision and confirm this in writing within 14 days of the meeting. If required, this time period can be extended by agreement.

Managers shall only refuse an application for one or more of the following reasons:

- The department cannot afford the burden of additional costs (this may include accommodation, equipment or additional administration costs).
- There will be a detrimental effect on the department's ability to meet the demands upon it.
- It is not possible to re-organise work amongst existing employees.
- The department will not be able to recruit additional employees.
- There will be a detrimental impact on quality.
- There will be a detrimental impact on performance.
- There will be insufficient work during the periods the employee proposes to work.
- There are planned organisational changes that resist against agreeing to the flexibility requested.

20.6. RIGHT TO APPEAL

If the employee is not satisfied with the outcome of the request they have a right to appeal. This must be received in writing within 5 working days, in a letter which should clearly state their grounds for appeal.

Where possible a Manager more senior than the Manager who held the hearing will hold the appeal meeting.

21. MATERNITY POLICY

21.1. PURPOSE

The following policy has been created as a guide for Company employees in relation to maternity leave and associated statutory pay. The policy is based on current legislation covered under the Equality Act 2010. This policy provides a framework within which departments can consider how best to enable employees to achieve an effective balance between work and life outside the workplace.

These guidelines are not exhaustive and have been summarised to include the key policy points. The Company's policies and procedures are in line with ACAS recommendations. Full details of these recommendations can be found on the ACAS website.

The Company respects confidentiality and expectant mothers should discuss their personal situation with their Line Manager including how their situation should be communicated to their colleagues.

21.2. MATERNITY RIGHTS

21.2.1. QUALIFYING FOR MATERNITY LEAVE AND PAY

Women are entitled to take up to 52 weeks of maternity leave and will qualify for Statutory Maternity Pay (SMP) subject to satisfying the notification requirements set out below:

- The qualifying week for SMP is the 15th week before the expected week of childbirth. This is known as the Qualifying Week (QW). In order to qualify for SMP the employee must have had a valid contract of employment for at least part of that week.
- A minimum of 26 weeks' service at the 15th week before the expected week of childbirth is required. Employees with less than 26 weeks' service at the QW may be able to claim Maternity Allowance from the Department for Work and Pensions provided their contribution record is sufficient for this purpose.
- The employee must still be pregnant or have given birth on the 11th week before the expected week of childbirth.
- If the baby is born before the maternity pay period commences, the employee must provide medical evidence of the birth date within 28 days if reasonably practicable. Payment of SMP will commence on the day following childbirth.
- The employee should also give 28 days' notice of any variation to the date on which they intend to start maternity leave.
- The employee's average weekly earnings in the eight weeks up to and including the qualifying week are not less than the lower earnings limit for NI contributions.
- Medical evidence of the expected week of childbirth (form MAT B1) must be provided.

An employee absent on maternity leave will continue to be bound by any obligations arising under their terms and conditions e.g. confidentiality clauses. In addition, eligible employees will be able to opt into the Shared Parental Leave scheme (please refer to the Parental and Shared Parental Leave policy).

21.2.2. MATERNITY LEAVE AND PAY ENTITLEMENT

Unless otherwise stated in the LPA Agreement, the following will apply with regards to maternity leave and pay.

Maternity leave and pay cannot commence before the beginning of the 11th week before the

Expected Week of Childbirth (EWC); the week, beginning with midnight between Saturday and Sunday, in which it is expected that childbirth will occur. However, it can be triggered if the employee is off sick for a pregnancy related illness during the 4 weeks prior to the EWC. Here SMP will begin on the day following the beginning of the fourth week before the EWC on which the employee is absent from work.

Birth also triggers the beginning of maternity leave. SMP would begin on the day following childbirth.

The employee is entitled to a period of 26 weeks' Ordinary Maternity Leave (OML). During this period all contractual rights, excluding remuneration, are preserved. The employee must be off work for a minimum of two weeks after the birth, or four weeks if working in a factory. This is known as Compulsory Maternity Leave.

The employee is also entitled to a period of 26 weeks' Additional Maternity Leave (AML). This leave commences on the first day following the end of OML. During this period the same contractual rights that apply through OML are preserved.

21.2.3. RATES OF SMP

Employees who satisfy the above conditions are entitled to SMP as follows:

- Six weeks pay at 90% of normal weekly earnings (calculations are based on all payments during the eight-week period leading up to the qualifying week e.g. overtime) followed by:
- 33 weeks' pay at the current rate of SMP (set annually by government) or 90% of normal weekly earnings, whichever is the lesser.
- The remaining 13 weeks of AML would be unpaid.
- The employee is also entitled to pension contributions. The Company makes employer contributions based on normal pay (during any period of paid maternity leave) but the employee's contribution is based on the reduced rate of pay
- SMP is subject to deductions of NI and income tax.

During this period all contractual rights, excluding remuneration, are preserved. Annual leave (including public holidays) will continue to accrue during maternity leave.

21.2.4. ANTE-NATAL CARE

The statutory right to reasonable time off with pay, for ante-natal care applies to all pregnant employees, regardless of their length of service. Evidence of appointments may be requested to verify the reason for the requested time off. The employee should endeavour to give the line manager as much notice as possible of ante-natal appointments and, if possible, try to arrange them as near to the start or end of the working day as possible.

An expectant father or a pregnant employee's partner will be entitled to unpaid time off to accompany the pregnant employee to two ante-natal appointments. The employee must submit a declaration stating:

- They are in a qualifying relationship either with the pregnant employee or the expected child.
- Are taking the time off to accompany the pregnant employee to the ante-natal appointment which has been arranged on the advice of a registered medical practitioner, midwife or nurse.
- The date and time of the appointment.

The employee should endeavour to give the Line Manager as much notice as possible of ante-natal appointments.

21.3. NOTIFICATION PROCESS

An employee is entitled to OML provided that, by the 15th week before their EWC, they notify their Line Manager and the HR Team in writing of their pregnancy, their EWC and the date on which they intend the OML to start. The employee is required to provide a certificate confirming the expected week of childbirth (MAT B1 form) which is obtained from a doctor or midwife. The Company will, within 28 days of receipt of the notice, write to the employee stating their expected date of return from the maternity leave period and to confirm payment entitlements.

21.4. CHANGING MATERNITY LEAVE START DATE

The employee can vary the date on which they intends for the OML to start, provided that they give the Company written notice of the new date 28 days before the date originally notified or 28 days before the new date on which they intend for the OML to start, whichever is the earliest.

There are two exceptions to the above requirements. These are where the employee's OML commences after the beginning of the fourth week before the EWC on which they are absent from work wholly or partly because of pregnancy, or where the employee's OML commences on the day following childbirth.

The employee does not have to notify their employer that they intend to take AML; the presumption will be that they will take the AML and will simply return to work on the first working day after the AML has ended, unless they notify their intention to return early.

21.5. RISK ASSESSMENTS

To ensure that necessary health and safety obligations and provisions can be applied, the employee should notify their Line Manager at an early stage of the pregnancy. Having been notified of the pregnancy, the Line Manager will ensure that a risk assessment of the employee's workplace is carried out as soon as possible in accordance with the EC Pregnant Workers Directive, to ensure that working conditions will not jeopardise the health and safety of the expectant mother or the baby.

21.6. KEEPING IN TOUCH DURING MATERNITY LEAVE

The Work and Families Act 2006 expressly permits 'reasonable contact from time to time' between an employer and an employee. The purpose of reasonable contact is to encourage communication and contact between the parties during the maternity leave period. The Company and its employees may therefore, from time to time, make contact with each other in this manner.

21.7. KEEPING IN TOUCH (KIT) DAYS

An employee on maternity leave may carry out up to 10 optional days paid work during the leave period without bringing their leave period to an end and without losing a week's statutory maternity pay. The sort of activities covered could be normal duties, attending training events, appraisals or an annual conference. The employee and their Line Manager will agree between themselves the days, if any, to be worked. There is no obligation on either the employee or the Company to agree to KIT days. Any days of work carried out under the relevant provisions do not have the effect of extending the total duration of the statutory maternity leave period.

21.8. RETURNING TO WORK AFTER MATERNITY LEAVE

If the employee complies with all notice requirements, they are entitled to return from OML to the job in which they were employed before their absence, with their rights as they would have been if they had not been absent, and on terms and conditions not less favourable than those which would have applied if they had not been absent. The same applies following AML; however, if it is not reasonably practicable for the Company to allow the employee to return to the same job, the Company may offer the employee suitable alternative work, on terms and conditions that are no less favourable than would have applied if they had not been absent.

An employee has the right to request flexible working, and they should write to their Line Manager setting out their proposals as soon as possible in advance of the return date. The request will be given meaningful consideration; however, there is no automatic right that this will be granted. Please refer to the Flexible Working policy for further information.

21.9. RETURNING EARLY

If the employee wishes to return early from her maternity leave, either OML and/or AML, they must give 8 weeks' notice, otherwise the Company may postpone the date of return to a date that will secure 8 weeks' notice of their return. The Company may not, however, postpone the date of return to a date after the end of the maternity leave period. If the Company has postponed the date of return, but the employee nevertheless returns before the postponed date, the Company is not obliged to pay them for the intervening period.

21.10. NOT RETURNING

Failure to return to work by the end of maternity leave will be treated as unauthorised absence unless the employee is sick and produces a current medical certificate before the end of the maternity leave period. If the employee decides, during maternity leave, that they do not wish to return to work, they should give written notice of resignation to the Company in accordance with the terms of their contract of employment.

21.11. IVF TREATMENT

There is no statutory right for an employee to take time off work in connection with infertility investigations or treatment before the stage at which they become pregnant. However, the Company will endeavour to be supportive of employees undergoing fertility treatment. The Company recognises that the period during which employees are undergoing fertility treatment can be emotionally stressful. If appropriate, counselling services are available through our Employee Assistance Programme.

Time off for appointments where the employee is not signed off can be dealt with in the same way as time off for any other medical appointments as outlined in the LPA Handbook. Employees will be expected to be flexible wherever possible, in arranging appointments and time off during the various stages of the fertility treatment, so that disruption to the operation is kept to a minimum.

There may be times in the course of the IVF process when the employee is unable to work due to the effects of the treatment and is signed off by a doctor. The employer will treat this like sickness absence for any other reason and deal with the employee's entitlement to Company and Statutory sick pay in accordance with normal rules.

22. PATERNITY POLICY

22.1. ABOUT THIS POLICY

This policy outlines when an employee may be entitled to paternity leave and paternity pay and sets out the arrangements for taking it.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

In some cases, you and your partner may be eligible to opt into the shared parental leave (SPL) scheme which gives you more flexibility to share the leave and pay available in the first year. This applies where the Expected Week of Childbirth (EWC) starts on or after 5 April 2015, or if a child is placed with you for adoption on or after that date. This does not affect your right to take two weeks' paternity leave around the time of birth or placement. For information about SPL, see our Shared Parental Leave (Birth) and Shared Parental Leave (Adoption) Policies.

22.2. ENTITLEMENT TO PATERNITY LEAVE

Paternity leave is available on the birth of a child if you have been continuously employed by us for at least twenty-six weeks ending with the fifteenth week before the Expected Week of Childbirth and either:

- (a) you are the biological father and will have some responsibility for the child's upbringing; or
- (b) you are the partner (that is, spouse, civil partner or cohabiting partner) of the mother, and will have the main responsibility (with the mother) for the child's upbringing; or
- (c) the child is born to a surrogate mother where you are, or your partner is, one of the child's biological parents, and you expect to obtain a parental order giving you and your partner legal responsibility for the child.

Paternity leave is available where a child is placed with you for adoption by an adoption agency, if you have been continuously employed by us for at least twenty-six weeks ending with the week in which the agency notifies you that you have been matched with a child.

In adoption or surrogacy cases you may be entitled to take adoption leave instead (see our Adoption Policy). However, adoption leave may only be taken by one parent. Paternity leave is available to the other parent.

22.3. TAKING PATERNITY LEAVE

Paternity leave is a period of one or two –weeks consecutive leave taken when a child is born or placed with you for adoption. You can start your leave on the date of birth or placement, or later, provided it is taken within eight weeks (fifty-six days) of the birth or placement. (If the baby is premature the period ends eight weeks after the start of the Expected Week of Childbirth.)

To take paternity leave you must give us written notice by the end of the fifteenth week before the Expected Week of Childbirth (or no more than seven days after the adoption agency notified you of being matched with a child), or as soon as you reasonably can, stating the following:

- The Expected Week of Childbirth.
- Whether you intend to take one week or two weeks' leave.
- When you would like your leave to start.

You can change the intended start date by giving us twenty-eight days' notice or, if this is not possible, as much notice as you can.

22.4. PATERNITY PAY

The Company will pay statutory paternity pay during your paternity leave.

22.5. DURING PATERNITY LEAVE

All the usual terms and conditions of your employment remain in force during paternity leave, except for the terms relating to pay.

Holiday entitlement will continue to accrue during paternity leave. If your paternity leave continues into the next holiday year, any remaining holiday that is not taken before your paternity leave can be carried over to the next holiday year and must be taken immediately before returning to work. You should try to limit carry over to one week of holiday or less. Carry over of more than one week is at your Line Manager's discretion.

If you are a member of our pension scheme, we will make employer pension contributions during paternity leave, based on your normal salary, in accordance with the scheme rules. Any employee contributions you make will be based on the amount of any paternity pay you are receiving, unless you inform the HR Team, that you wish to make up any shortfall.

23. ADOPTION POLICY

23.1. ABOUT THIS POLICY

The following policy has been created as a guide for Company employees in relation to adoption leave and associated statutory pay. The policy is based on current legislation covered under the Equality Act 2010. This policy provides a framework within which departments can consider how best to enable employees to achieve an effective balance between work and life outside the workplace.

These guidelines are not exhaustive and have been summarised to include the key policy points. The Company's policies and procedures are in line with ACAS recommendations. Full details of these recommendations can be found on the ACAS website.

The Company respects confidentiality and adoptive parents should discuss their personal situation with their line manager including how their situation should be communicated to their colleagues.

23.2. ENTITLEMENT TO ADOPTION LEAVE

You are entitled to adoption leave if you meet all of the following conditions:

- You are adopting a child through a UK or overseas adoption agency.
- The adoption agency has given you written notice that it has matched you with a child for adoption and tells you the date the child is expected to be placed into your care with a view to adoption (Expected Placement Date).
- You have notified the agency that you agree to the child being placed with you on the Expected Placement Date.
- Your spouse or partner will not be taking adoption leave with their employer (although they may be entitled to take paternity leave).

The maximum adoption leave entitlement is fifty-two weeks, consisting of twenty-six weeks'

Ordinary Adoption Leave (OAL) and twenty-six weeks' Additional Adoption Leave (AAL).

23.3. NOTIFICATION REQUIREMENTS

Not more than seven days after the agency notifies you in writing that it has matched you with a child (or where that is not reasonably practicable, as soon as reasonably practicable), you must give us notice in writing of the Expected Placement Date, and your intended start date for adoption leave (Intended Start Date).

We will then write to you within twenty-eight days to inform you of your expected return date assuming you take your full entitlement to adoption leave. Once you receive the matching certificate issued by the adoption agency, you must provide us with a copy.

23.4. STARTING ADOPTION LEAVE

OAL may start on a predetermined date no more than fourteen days before the Expected Placement Date, or on the date of placement itself, but no later.

If you want to change your Intended Start Date, please tell us in writing. You should give us as much notice as you can, but wherever possible you must tell us at least twenty-eight days before the original Intended Start Date (or the new start date if you are bringing the date forward). We will then write to you within twenty-eight days to tell you your new expected return date.

23.5. ADOPTION PAY

Statutory adoption pay (SAP) is payable for up to thirty-nine weeks provided that you have at least twenty-six weeks of continuous employment with us at the end of the Qualifying Week and your average earnings are not less than the lower earnings limit set by the government each tax year. The first six weeks SAP are paid at 100% of your average earnings and the remaining thirty-three weeks are at a rate set by the government each year. For further information please speak to the HR Team.

23.6. DURING ADOPTION LEAVE

All the terms and conditions of your employment remain in force during OAL and AAL, except for the terms relating to pay.

Holiday entitlement will continue to accrue at the rate provided under your contract. If your adoption leave will continue into the next holiday year, any holiday entitlement that is not taken before starting your adoption leave can be carried over and must be taken immediately before returning to work. You should try to limit carry over to one week's holiday or less. Carry over of more than one week is at your line manager's discretion.

Please discuss your holiday plans with your line manager in good time before starting your adoption leave. All holiday dates are subject to approval by your line manager.

If you are a member of the pension scheme, we shall make employer pension contributions during OAL and any further period of paid adoption leave based on your normal salary, in accordance with the pension scheme rules. Any employee contributions you make will be based on the amount of any adoption pay you are receiving, unless you inform the HR Team that you wish to make up any shortfall.

23.7. KEEPING IN TOUCH

We may make reasonable contact with you from time to time during your adoption leave although we will keep this to a minimum. This may include contacting you to discuss arrangements for your return to work.

You may work (including attending training) on up to ten "keeping-in-touch" days (KIT days) during your adoption leave. This is not compulsory and must be discussed and agreed with your line manager.

You will be paid at your normal basic rate of pay for time spent working on a keeping-in-touch day and this will be inclusive of any adoption pay entitlement.

23.8. RETURNING TO WORK

You must return to work on the expected return date unless you tell us otherwise. If you wish to return to work early, you must give us at least eight weeks' notice of the date. It is helpful if you give this notice in writing. You may be able to return later than the expected return date if you request annual leave or parental leave, which will be at our discretion.

You are normally entitled to return to work in the position you held before starting adoption leave, on the same terms of employment. However, if you have taken AAL and it is not reasonably practicable for us to allow you to return to the same position, we may give you another suitable and appropriate job on terms and conditions that are not less favourable.

If you want to change your hours or other working arrangements on return from adoption leave you should make a request under our Flexible Working Policy. It is helpful if such requests are made as early as possible.

If you decide you do not want to return to work, you should give notice of resignation in accordance with your contract.

24. TIME OFF FOR ADOPTION APPOINTMENTS POLICY

24.1. ABOUT THIS POLICY

This policy outlines the statutory right to take time off to attend adoption appointments.

This policy applies to all employees.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

24.2. TIME OFF FOR AN ADOPTION APPOINTMENT

An adoption appointment is an appointment arranged by an adoption agency (or at the agency's request) for you to have contact with a child who is to be placed with you for adoption, or for any other purpose related to the adoption.

You may take time off to attend an adoption appointment once the agency has notified you that a child is to be placed with you for adoption but before the child is actually placed with you.

24.3. IF YOU ARE ADOPTING A CHILD WITH ANOTHER PERSON

Where you and your partner are adopting a child, you must decide between you who will be treated as the primary adopter and who will be treated as the secondary adopter for the purposes of time off. You must tell us your decision the first time you request time off for an adoption appointment. This will affect how much time you can take off.

You would usually choose to be the primary adopter if you intend to take adoption leave when the child is placed with you. You would not be able to take paternity leave if you have elected to be the primary adopter.

You will usually choose to be the secondary adopter if you intend to take paternity leave when the child is placed with you, although you may be able to take adoption leave if your partner is not taking it.

24.4. IF YOU ARE ADOPTING A CHILD ALONE

If you are adopting a child alone, you are treated as the primary adopter.

24.5. IF YOU ARE ADOPTING MORE THAN ONE CHILD

If the agency is placing more than one child with you as part of the same arrangement, this is treated as one adoption and will not increase the number of appointments you can take time off to attend. Any time off under this policy must be taken before the first child is placed with you.

24.6. AMOUNT OF TIME OFF

If you are adopting on your own or have elected to be the primary adopter, you may take paid time off to attend an adoption appointment on up to two occasions in relation to any particular adoption.

If you are the secondary adopter, you may take reasonable paid time off to attend an adoption appointment.

If you have used all your entitlement to time off to attend an adoption appointment or appointments, you will need to use other leave in order to cover any additional time off required (such as a period of annual leave or unpaid leave) which can be arranged in consultation with your line manager and our HR Team.

24.7. HOW TO BOOK TIME OFF

Please give us as much notice of the appointment as possible. You must provide your Line Manager with a signed statement or an email confirming:

The date and time of the appointment.
That the appointment has been arranged or requested by the adoption agency.
Whether you are adopting a child alone or jointly with another person.
If you are adopting with another person, whether you are electing to take paid or unpaid time off.

If you are an agency worker, you may have to notify your agency as well. You should check with the agency.

25. SHARED PARENTAL LEAVE (BIRTH) POLICY

25.1. ABOUT THIS POLICY

This policy outlines the arrangements for shared parental leave and pay in relation to the birth of a

child. If you are adopting a child, please see the Shared Parental Leave (Adoption) Policy instead.

This policy applies to employees. It does not apply to agency workers or self-employed contractors.

This policy does not form part of any employee's contract of employment, and the Company may amend it at any time.

25.2. FREQUENTLY USED TERMS

The definitions in this paragraph apply in this policy:

- Expected week of childbirth (EWC): the week, beginning on a Sunday, in which the doctor or midwife expects your child to be born.
- Parent: One of two people who will share the main responsibility for the child's upbringing (and who may be either the mother, the father, or the mother's partner if not the father).
- Partner: your spouse, civil partner or someone living with you in an enduring family relationship, but not your sibling, child, parent, grandparent, grandchild, aunt, uncle, niece or nephew.
- Qualifying Week: the fifteenth week before the EWC.

25.3. WHAT IS SHARED PARENTAL LEAVE?

Shared parental leave (SPL) is a form of leave that may be available.

It gives you and your partner more flexibility in how to share the care of your child in the first year after birth than simply taking maternity and paternity leave. Assuming you are both eligible, you will be able to choose how to split the available leave between you and can decide to be off work at the same time or at different times. You may be able to take leave in more than one block.

25.4. ENTITLEMENT TO SPL

You are entitled to SPL in relation to the birth of a child if:

- You are the child's mother, and share the main responsibility for the care of the child with the child's father or with your partner; or
- You are the child's father and share the main responsibility for the care of the child with the child's mother; or
- You are the mother's partner and share the main responsibility for the care of the child with the mother (where the child's father does not share the main responsibility with the mother).

The following conditions must also be fulfilled:

You must have at least twenty-six weeks continuous employment with us by the end of the Qualifying Week, and still be employed by us in the week before the leave is to be taken;

- The other parent must have worked (in an employed or self-employed capacity) in at least twenty-six of the sixty-six weeks before the EWC and had average weekly earnings of at least £120 during thirteen of those weeks; and
- You and the other parent must give the necessary statutory notices and declarations as summarised below, including notice to end any maternity leave, statutory maternity pay (SMP) or maternity allowance (MA) periods.

The total amount of SPL available is fifty-two weeks, less the weeks spent by the child's mother on maternity leave (or the weeks in which the mother has been in receipt of SMP or MA if she is not

entitled to maternity leave).

If you are the mother you cannot start SPL until after the compulsory maternity leave period, which lasts until two weeks after birth or four weeks for factory workers.

If you are the child's father or the mother's partner, you should consider using your two weeks' paternity leave before taking SPL. Once you start SPL you will lose any untaken paternity leave entitlement. SPL entitlement is additional to your paternity leave entitlement.

25.5. OPTING IN TO SHARED PARENTAL LEAVE AND PAY

Not less than eight weeks before the date you intend your SPL to start, you must give us a written opt-in notice giving:

- Your name and the name of the other parent.
- If you are the child's mother, the start and end dates of your maternity leave.
- If you are the child's father or the mother's partner, the start and end dates of the mother's maternity leave, or if she is not entitled to maternity leave, the start and end dates of any SMP or MA period.
- The total SPL available, which is fifty-two weeks minus the number of weeks' maternity leave, SMP or MA period taken or to be taken.
- How many weeks of the available SPL will be allocated to you and how many to the other parent (you can change the allocation by giving us a further written notice, and you do not have to use your full allocation);
- If you are claiming statutory shared parental pay (ShPP), the total ShPP available, which is thirty-nine weeks minus the number of weeks of the SMP or MA period taken or to be taken).
- How many weeks of available ShPP will be allocated to you and how much to the other parent? (you can change the allocation by giving us a further written notice, and you do not have to use your full allocation).
- An indication of the pattern of leave you are thinking of taking, including suggested start and end dates for each period of leave. This indication will not be binding at this stage, but please give as much information as you can about your future intentions; and
- Declarations by you and the other parent that you both meet the statutory conditions to enable you to take SPL and ShPP.

25.6. ENDING YOUR MATERNITY LEAVE

If you are the child's mother and want to opt into the SPL scheme, you must give us at least eight weeks' written notice to end your maternity leave (a curtailment notice) before you can take SPL. The notice must state the date your maternity leave will end. You can give the notice before or after you give birth, but you cannot end your maternity leave until at least two weeks after birth or four weeks if you are working in a factory.

You must also give us, at the same time as the curtailment notice, a notice to opt into the SPL scheme (see section 5 of this policy) or a written declaration that the other parent has given their employer an opt-in notice and that you have given the necessary declarations in that notice.

The other parent may be eligible to take SPL from their employer before your maternity leave ends, provided you have given the curtailment notice.

The curtailment notice is binding and cannot usually be revoked. You can only revoke a curtailment notice if maternity leave has not yet ended and one of the following applies:

- If you realise that neither you nor the other parent are in fact eligible for SPL or ShPP, in which case you can revoke the curtailment notice in writing up to eight weeks after it was given;
- If you gave the curtailment notice before giving birth, you can revoke it in writing up to eight weeks after it was given, or up to six weeks after birth, whichever is later; or
- If the other parent has died.

Once you have revoked a curtailment notice you will be unable to opt back into the SPL scheme, unless section 6.4 (b) above applies.

25.7. ENDING YOUR PARTNER'S MATERNITY LEAVE OR PAY

If you are not the mother, but the mother is still on maternity leave or claiming SMP or MA, you will only be able to take SPL once she has either:

- Returned to work.
- Given her employer a curtailment notice to end her maternity leave;
- Given her employer a curtailment notice to end her SMP (if she is entitled to SMP but not maternity leave); or
- Given the benefits office a curtailment notice to end her MA (if she is not entitled to maternity leave or SMP).

25.8. BOOKING YOUR SPL DATES

Having opted into the SPL system, you must book your leave by giving us a period of leave notice. This may be given at the same time as the opt-in notice or later, provided it is at least eight weeks before the start of SPL.

The period of leave notice can either give the dates you want to take leave or, if the child has not been born yet, it can state the number of days after birth that you want the leave to start and end. This may be particularly useful if you intend to take paternity leave starting on the date of birth and wish to take SPL straight afterwards.

Leave must be taken in blocks of at least one week.

If your period of leave notice gives a single continuous block of SPL, you will be entitled to take the leave set out in the notice.

If your period of leave notice requests split periods of SPL, with periods of work in between, we will consider your request as set out in section 9, below.

You can give up to three period of leave notices. This may enable you to take up to three separate blocks of SPL (although if you give a notice to vary or cancel a period of leave this will in most cases count as a further period of leave notice; see section 10 below).

25.9. PROCEDURE FOR REQUESTING SPLIT PERIODS OF SPL

In general, a period of leave notice should set out a single continuous block of leave. We may be willing to consider a period of leave notice where the SPL is split into shorter periods with periods of work in between. It is best to discuss this with your line manager and HR in good time before formally submitting your period of leave notice. This will give us more time to consider the request and hopefully agree a pattern of leave with you from the start.

If you want to request split periods of SPL, you must set out the requested pattern of leave in your

period of leave notice. We will either agree to the request or start a two-week discussion period. At the end of that period, we will confirm any agreed arrangements in writing. If we have not reached agreement, you will be entitled to take the full amount of requested SPL as one continuous block, starting on the start date given in your notice (for example, if you requested three separate periods of four weeks each, they will be combined into one twelve-week period of leave).

Alternatively, you may:

- Choose a new start date (which must be at least eight weeks after your original period of leave notice was given), and tell us within five days of the end of the two-week discussion period; or
- Withdraw your period of leave notice within two days of the end of the two-week discussion period (in which case the notice will not be counted, and you may submit a new one if you choose).

25.10. CHANGING THE DATES OR CANCELLING YOUR SPL

You can cancel a period of leave by notifying us in writing at least eight weeks before the start date in the period of leave notice.

You can change the start date for a period of leave by notifying us in writing at least eight weeks before the original start date or the new start date, whichever is earlier.

You can change the end date for a period of leave by notifying us in writing at least eight weeks before the original end date or the new end date, whichever is earlier.

You can combine discontinuous periods of leave into a single continuous period of leave. Since this will involve a change to the start date or end date of a period of leave, see section 25.2 and section 25.3 above which set out how much notice is required. You can request that a continuous period of leave be split into two or more discontinuous periods of leave, with periods of work in between. Since this will involve a change to the start date or end date, see section 25.2 and section 25.3 above which sets out how much notice is required for the request. We do not have to grant your request but will consider it as set out above.

A notice to change or cancel a period of leave will count as one of your three period of leave notices, unless:

- It is a result of your child being born earlier or later than the EWC;
- You are cancelling a request for discontinuous leave within two days of the end of the two-week discussion period as above.
- It is at our request; or
- We agree otherwise.

25.11. PREMATURE BIRTH

Where the child is born early (before the beginning of the EWC), you may be able to start SPL in the eight weeks following birth even though you cannot give eight weeks' notice. The following rules apply:

- If you have given a period of leave notice to start SPL on a set date in the eight weeks following the EWC, but your child is born early, you can move the SPL start date forward by the same number of days, provided you notify us in writing of the change as soon as you can. (If your period of leave notice already contained a start date which was a set number of days after birth, rather than a set date, then no notice of change is necessary.)

- If your child is born more than eight weeks early and you want to take SPL in the eight weeks following birth, please submit your opt-in notice and your period of leave notice as soon as you can.

25.12. SHARED PARENTAL PAY

You may be able to claim Statutory Shared Parental Pay (ShPP) of up to thirty-nine weeks (less any weeks of SMP or MA claimed by you or your partner) if you have at least twenty-six weeks' continuous employment with us at the end of the Qualifying Week and your average earnings are not less than the lower earnings limit set by the government each tax year. ShPP is paid by employers at a rate set by the government each year.

You should tell us in your period of leave notice(s) whether you intend to claim ShPP during your leave (and if applicable, for what period). If it is not in your period of leave notice you can tell us in writing, at least eight weeks before you want ShPP to start.

25.13. OTHER TERMS DURING SHARED PARENTAL LEAVE

Your terms and conditions of employment remain in force during SPL, except for the terms relating to pay.

Holiday entitlement will continue to accrue at the rate provided under your contract. If your SPL will continue into the next holiday year, any holiday entitlement that is not taken before starting your leave can be carried over and must be taken immediately before returning to work unless your line manager agrees otherwise. You should try to limit carry over to one week's holiday or less. Carry over of more than one week is at your line manager's discretion. Please discuss your holiday plans with your Line Manager in good time before starting SPL. All holiday dates are subject to approval by your line manager.

If you are a member of the pension scheme, we will make employer pension contributions during any period of paid SPL, based on your normal salary, in accordance with the pension scheme rules. Any employee contributions you make will be based on the amount of any shared parental pay you are receiving, unless you inform the HR Team that you wish to make up any shortfall.

25.14. KEEPING IN TOUCH

We may make reasonable contact with you from time to time during your SPL although we will keep this to a minimum. This may include contacting you to discuss arrangements for your return to work.

You may ask or be asked to work (including attending training) on up to twenty "keeping-in-touch" days (KIT days) during your SPL. This is in addition to any KIT days that you may have taken during maternity leave. KIT days are not compulsory and must be discussed and agreed with your line manager

You will be paid at your normal basic rate of pay for time spent working on a KIT day and this will be inclusive of any shared parental pay entitlement.

25.15. RETURNING TO WORK

If you want to end a period of SPL early, you must give us eight weeks' written notice of the new return date. If have already given us three period of leave notices you will not be able to end your SPL early without our agreement.

If you want to extend your SPL, assuming you still have unused SPL entitlement remaining, you must give us a written period of leave notice at least eight weeks before the date you were due to return to work. If you have already given us three period of leave notices you will not be able to extend your SPL without our agreement. You may instead be able to request annual leave or ordinary parental leave (see our Parental Leave Policy), subject to the needs of the business.

You are normally entitled to return to work in the position you held before starting SPL, and on the same terms of employment. However, if it is not reasonably practicable for us to allow you to return into the same position, we may give you another suitable and appropriate job on terms and conditions that are not less favourable, but only in the following circumstances:

If your SPL and any maternity or paternity leave you have taken adds up to more than twenty-six weeks in total (whether or not taken consecutively); or
If you took SPL consecutively with more than four weeks of ordinary parental leave.

If you want to change your hours or other working arrangements on return from SPL, you should make a request under our Flexible Working Policy. It is helpful if such requests are made as early as possible.

If you decide you do not want to return to work, you should give notice of resignation in accordance with your contract.

26. SHARED PARENTAL LEAVE (ADOPTION) POLICY

26.1. ABOUT THIS POLICY

This policy outlines the arrangements for shared parental leave and pay in relation to the adoption of a child. If you or your partner are pregnant or have given birth, please see the Shared Parental Leave (Birth) Policy instead.

This policy applies to employees. It does not apply to agency workers or self-employed contractors.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

26.2. FREQUENTLY USED TERMS

The definitions in this paragraph apply in this policy -

Partner: your spouse, civil partner or someone living with you in an enduring family relationship at the time the child is placed for adoption, but not your sibling, child, parent, grandparent, grandchild, aunt, uncle, niece or nephew.

Qualifying Week: the week the adoption agency notifies you that you have been matched with a child for adoption.

26.3. WHAT IS SHARED PARENTAL LEAVE?

Shared parental leave (SPL) is a form of leave that may be available..

It gives you and your partner more flexibility in how to share the care of your child in the first year after birth than simply taking maternity and paternity leave. Assuming you are both eligible, you will be able to choose how to split the available leave between you and can decide to be off work at

the same time or at different times. You may be able to take leave in more than one block.

26.4. ENTITLEMENT

You may be entitled to SPL if an adoption agency has placed a child with you and/or your partner for adoption, or where a child is placed with you and/or your partner as foster parents under a "fostering for adoption" or "concurrent planning" scheme. You must intend to share the main responsibility for the care of the child with your partner.

The following conditions must be fulfilled:

- You must have at least twenty-six weeks continuous employment with us by the end of the Qualifying Week, and still be employed by us in the week before the leave is to be taken;
- Your partner must have worked (in an employed or self-employed capacity) in at least twenty-six of the sixty-six weeks before the Qualifying Week and had average weekly earnings of at least £120 during thirteen of those weeks; and
- You and your partner must give the necessary statutory notices and declarations as summarised below, including notice to end adoption leave or statutory adoption pay (SAP).

Either you or your partner must qualify for statutory adoption leave and/or SAP and must take at least two weeks of adoption leave and/or pay.

If your partner is taking adoption leave and/or claiming SAP, you may be entitled to two weeks' paternity leave and pay (see our Paternity Leave Policy). You should consider using this before taking SPL. Paternity leave is additional to any SPL entitlement you may have, but you will lose any untaken paternity leave entitlement once you start a period of SPL.

The total amount of SPL available is fifty-two weeks, less the weeks of adoption leave taken by either you or partner (or the weeks in which your partner has been in receipt of SAP if they were not entitled to adoption leave).

26.5. OPTING IN TO SHARED PARENTAL LEAVE AND PAY

Not less than eight weeks before the date you intend your SPL to start, you must give us a written opt-in notice which includes:

- (a) your name and your partner's name;
- (b) if you are taking adoption leave, your adoption leave start and end dates;
- (c) if you are not taking adoption leave, your partner's adoption leave start and end dates, or if your partner is not entitled to adoption leave, the start and end dates of their SAP;
- (d) the total SPL available, which is fifty-two weeks minus the number of weeks' adoption leave or SAP taken or to be taken by you or your partner;
- (e) how many weeks of the available SPL will be allocated to you and how many to your partner (you can change the allocation by giving us a further written notice, and you do not have to use your full allocation);
- (f) if you are claiming statutory shared parental pay (ShPP), the total ShPP available, which is thirty-nine weeks minus the number of weeks of SAP taken or to be taken);
- (g) how many weeks of the available ShPP will be allocated to you and how many to your partner (you can change the allocation by giving us a further written notice, and you do not have to use your full allocation);
- (h) an indication of the pattern of leave you are thinking of taking, including suggested start and end dates for each period of leave (see section 8 and section 10 for information on taking leave).

This indication will not be binding at this stage, but please give as much information as you can about your future intentions; and
(i) declarations by you and your partner that you both meet the statutory conditions to enable you to take SPL and ShPP.

26.6. ENDING YOUR ADOPTION LEAVE

If you are taking or intend to take adoption leave and want to opt into the SPL scheme, you must give us at least eight weeks' written notice to end your adoption leave (a curtailment notice). The notice must state the date your adoption leave will end. You can give the notice before or after adoption leave starts, but you must take at least two weeks' adoption leave.

You must also give us, at the same time as the curtailment notice, a notice to opt into the SPL scheme (see section 5 above) or a written declaration that your partner has given their employer an opt-in notice and that you have given the necessary declarations in that notice.

If your partner is eligible to take SPL from their employer, they cannot start it until you have given us your curtailment notice.

The curtailment notice is binding on you and cannot usually be revoked. You can only revoke a curtailment notice if your adoption leave has not yet ended and one of the following applies:

- If you realise that neither you nor your partner are in fact eligible for SPL or ShPP, in which case you can revoke the curtailment notice in writing up to eight weeks after it was given;
- If your partner has died.

Once you have revoked a curtailment notice you will be unable to opt back into the SPL scheme.

26.7. ENDING YOUR PARTNER'S ADOPTION LEAVE OR PAY

If your partner is taking adoption leave or claiming SAP from their employer, you will only be able to take SPL once your partner has either:

- Returned to work;
- Given their employer a curtailment notice to end adoption leave; or
- Given their employer a curtailment notice to end SAP (if they are entitled to SAP but not adoption leave).

26.8. BOOKING YOUR SPL DATES

Having opted into the SPL system, you must book your leave by giving us a period of leave notice. This may be given at the same time as the opt-in notice or later, provided it is at least eight weeks before the start of SPL.

The period of leave notice can either give the dates you want to take SPL or, if the child has not been placed with you yet, it can state the number of days after the placement that you want the SPL to start and end. This may be particularly useful if you intend to take paternity leave starting on the date of placement and wish to take SPL straight afterwards.

Leave must be taken in blocks of at least one week.

If your period of leave notice gives dates for a single continuous block of SPL you will be entitled to take the leave set out in the notice.

If your period of leave notice requests split periods of SPL, with periods of work in between, we will consider your request as set out in paragraph 26.9 below.

You can give up to three period of leave notices. This may enable you to take up to three separate blocks of SPL (although if you give a notice to vary or cancel a period of leave this will in most cases count as a further period of leave notice; see section 26.9 below.

26.9. PROCEDURE FOR REQUESTING SPLIT PERIODS OF SPL

In general, a period of leave notice should set out a single continuous block of leave. We may be willing to consider a period of leave notice where the SPL is split into shorter periods with periods of work in between. It is best to discuss this with your Manager and HR in good time before formally submitting your period of leave notice. This will give us more time to consider the request and hopefully agree a pattern of leave with you from the start.

If you want to request split periods of SPL, you must set out the requested pattern of leave in your period of leave notice. We will either agree to the request or start a two-week discussion period. At the end of that period, we will confirm any agreed arrangements in writing. If we have not reached agreement, you will be entitled to take the full amount of requested SPL as one continuous block, starting on the start date given in your notice (for example, if you requested three separate periods of four weeks each, they will be combined into one twelve-week period of leave). Alternatively, you may:

- Choose a new start date (which must be at least eight weeks after your original period of leave notice was given), and tell us within five days of the end of the two-week discussion period; or
- Withdraw your period of leave notice within two days of the end of the two-week discussion period (in which case it will not be counted, and you may submit a new one if you choose).

26.10. CHANGING THE DATES OR CANCELLING YOUR SPL

You can cancel a period of leave by notifying us in writing at least eight weeks before the start date in the period of leave notice.

You can change the start date for a period of leave by notifying us in writing at least eight weeks before the original start date or the new start date, whichever is earlier.

You can change the end date for a period of leave by notifying us in writing at least eight weeks before the original end date or the new end date, whichever is earlier.

A notice to change or cancel a period of leave will count as one of your three period of leave notices, unless:

The variation is a result of the child being placed with you earlier or later than the expected placement date;

- You are cancelling a request for discontinuous leave within two days of the end of the two-week discussion period under section 7.2 of this policy.
- The variation is at our request; or
- We agree otherwise.

26.11. SHARED PARENTAL PAY

You may be able to claim Statutory Shared Parental Pay (ShPP) of up to thirty-nine weeks (less

any weeks of SAP claimed by you or your partner) provided you have at least twenty-six weeks' continuous employment with us at the end of the Qualifying Week and your average earnings are not less than the lower earnings limit set by the government each tax year. ShPP is paid at a rate set by the government each year.

You should tell us in your period of leave notice(s) whether you intend to claim ShPP during your leave (and if applicable, for what period). If it is not in your period of leave notice you can tell us in writing, at least eight weeks before you want ShPP to start.

26.12. OTHER TERMS DURING SHARED PARENTAL LEAVE

Your terms and conditions of employment remain in force during SPL, except for the terms relating to pay.

Holiday entitlement will continue to accrue at the rate provided under your contract. If your SPL will continue into the next holiday year, any holiday entitlement that is not taken before starting your leave can be carried over and must be taken immediately before returning to work unless your Line Manager agrees otherwise. You should try to limit carry over to one week's holiday or less. Carry over of more than one week is at your line manager's discretion. Please discuss your holiday plans with your line manager in good time before starting SPL. All holiday dates are subject to approval by your Line Manager.

If you are a member of the pension scheme, we will make employer pension contributions during any period of paid SPL, based on your normal salary, in accordance with the pension scheme rules. Any employee contributions you make will be based on the amount of any shared parental pay you are receiving, unless you inform the HR Team that you wish to make up any shortfall.

26.13. KEEPING IN TOUCH

We may make reasonable contact with you from time to time during your SPL although we will keep this to a minimum. This may include contacting you to discuss arrangements for your return to work.

You may ask or be asked to work (including attending training) on up to twenty "keeping-in-touch" days (KIT days) during your SPL. This is in addition to any KIT days that you may have taken during adoption leave. KIT days are not compulsory and must be discussed and agreed with your line manager.

You will be paid at your normal basic rate of pay for time spent working on a KIT day and this will be inclusive of any shared parental pay entitlement.

26.14. RETURNING TO WORK

If you want to end a period of SPL early, you must give us eight weeks' written notice of the new return date. If you have already given us three period of leave notices you will not be able to end your SPL early without the Company's agreement.

If you want to extend your SPL, assuming you still have unused SPL entitlement remaining, you must give the Company written notice at least eight weeks before the date you were due to return to work. If you have already given us three period of leave notices you will not be able to extend your SPL without our agreement. You may instead be able to request annual leave or ordinary parental leave (see Parental Leave Policy), subject to the needs of our business.

You are normally entitled to return to work in the position you held before starting SPL, and on the same terms of employment. However, if it is not reasonably practicable for us to allow you to return into the same position, we may give you another suitable and appropriate job on terms and conditions that are not less favourable, but only in the following circumstances:

- If your SPL and any adoption or paternity leave you have taken adds up to more than twenty-six weeks in total (whether or not taken consecutively); or
- If you took SPL consecutively with more than four weeks of ordinary parental leave.

If you want to change your hours or other working arrangements on return from SPL you should make a request under our Flexible Working Policy. It is helpful if such requests are made as early as possible.

If you decide you do not want to return to work, you should give notice of resignation in accordance with your contract.

27. PARENTAL LEAVE POLICY

27.1. ABOUT THIS POLICY

This policy summarises the statutory right of employees with at least one year's continuous service to take up to eighteen weeks' unpaid parental leave in respect of each child.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

27.2. ENTITLEMENT TO PARENTAL LEAVE

To be eligible for parental leave, you must:

- Have at least one year's continuous employment with us;
- Have or expect to have responsibility for a child; and
- Be taking the leave to spend time with or otherwise care for the child.

You have responsibility for a child if you are the biological or adoptive parent or have legal parental responsibility in some other way, for example under a court order.

Eligible employees are entitled to take up to eighteen weeks' parental leave in relation to each child.

You must tell the Company of any parental leave you have taken while working for another employer as this will count towards your eighteen-week entitlement.

27.3. TAKING PARENTAL LEAVE

In most cases, parental leave can only be taken in blocks of a week or a whole number of weeks, and you may not take more than four weeks' parental leave a year in relation to each child. Parental leave can be taken up to the child's eighteenth birthday.

Special rules apply where your child is disabled, which for these purposes means entitled to a disability living allowance, armed forces independence allowance or personal independence payment. You can take parental leave in respect of that child in blocks of less than one week.

However, there is still a limit of four weeks a year for each child and eighteen weeks in total for each child.

27.4. NOTIFICATION REQUIREMENTS

You must notify your Line Manager of your intention to take parental leave at least twenty-one days in advance. It would be helpful if you can give this notice in writing. Your notification should include the start and end dates of the requested period of leave.

If you wish to start parental leave immediately on the birth of a child, you must give notice at least twenty-one days before the expected week of childbirth.

If you wish to start parental leave immediately on having a child placed with you for adoption, you should give notice at least twenty-one days before the expected week of placement, or if this is not possible, give as much notice as you can.

27.5. EVIDENCE OF ENTITLEMENT

We may ask to see evidence of:

- Your responsibility or expected responsibility for the child such as birth certificate, adoption or matching certificate, parental responsibility agreement or court order.
- The child's date of birth or date of adoption placement.

27.6. OUR RIGHT TO POSTPONE PARENTAL LEAVE

Although the Company will try to accommodate your request for parental leave, it may postpone your requested leave where it would unduly disrupt the Company's business (for example, if it would leave the Company short-staffed or unable to complete work on time).

We will discuss alternative dates with you and notify you in writing of the reason for postponement and the new start and end dates, within seven days of receiving your request for parental leave.

We cannot postpone parental leave if you have requested it to start immediately on the birth or adoption of a child.

We cannot postpone parental leave for more than six months, or beyond the child's eighteenth birthday (if sooner)

27.7. TERMS AND CONDITIONS DURING PARENTAL LEAVE

Parental leave is unpaid.

Your employment contract will remain in force, and holiday entitlement will continue to accrue. You will remain bound by your duties of good faith and confidentiality, and any contractual restrictions on accepting gifts and benefits, or working for another business.

28. TIME OFF FOR DEPENDENTS POLICY

28.1. ABOUT THIS POLICY

The law recognises that there may be occasions when you need to take time off work to deal with unexpected events involving one of your dependants.

This Time off for Dependant's Policy gives all employees the right to take a reasonable amount of unpaid time off work to deal with certain situations affecting their dependants.

No-one who takes time off in accordance with this policy will be subjected to any detriment.

This policy does not form part of any employee's contract of employment, and we may amend it at any time.

28.2. REASONABLE UNPAID TIME OFF

You have a right to take a reasonable amount of unpaid time off work when it is necessary to:

- Provide assistance when a dependant falls ill, gives birth, is injured or assaulted;
- Make longer-term care arrangements for a dependant who is ill or injured;
- Take action required in consequence of the death of a dependant;
- Deal with the unexpected disruption, termination or breakdown of arrangements for the care of a dependant (such as a child-minder falling ill); and/or
- Deal with an unexpected incident involving your child while a school or another educational establishment is responsible for them.

A dependant for the purposes of this policy is:

- Your spouse, civil partner, parent or child.
- A person who lives in the same household as you but who is not your tenant, lodger, boarder or employee; or
- Anyone else who reasonably relies on you to provide assistance, make arrangements or take action of the kind referred to in section 27.1 above.

This policy applies to time off to take action which is necessary because of an immediate or unexpected crisis. This policy does not apply where you need to take planned time off or provide longer-term care for a dependant. If this is the case, you should take advice from your line manager.

Whether action is considered necessary will depend on the circumstances, including nature of the problem, the closeness of the relationship between you and the dependant, and whether anyone else is available to assist. Action is unlikely to be considered necessary if you knew of a problem in advance but did not try to make alternative care arrangements.

Reasonable time off in relation to a particular problem will not normally be more than two days. However, we will always consider each set of circumstances on their facts.

28.3. EXERCISING THE RIGHT TO TIME OFF

An employee will only be entitled to time off under this policy if, as soon as is reasonably practicable, they tell their Line Manager or contact the Absence Management Service (whichever is applicable) stating:

- The reason for your absence; and
- How long you expect to be away from work.

If you fail to notify us as set out above, you may be subject to disciplinary proceedings under our

Disciplinary Policy for taking unauthorised time off.

We may in some cases ask you to provide evidence for your reasons for taking the time off, either in advance or on your return to work. Suspected abuse of this policy will be dealt with as a disciplinary issue under the Disciplinary Policy.

29. COMPASSIONATE LEAVE POLICY

29.1. ABOUT THIS POLICY

Compassionate leave is designed to help employees to deal with traumatic personal circumstances such as the death of a close relative or where a close relative has a life-threatening illness or injury.

This policy does not form part of any employee's contract of employment, and the Company may amend it at any time.

29.2. WHEN COMPASSIONATE LEAVE MAY BE AVAILABLE

In the event of the death of a partner (including civil partnerships), child, parent, brother, stepbrother, sister, stepsister stepchild or stepparent, five days bereavement leave will be granted. In the event of death of paternal/maternal grandparents, step grandparents, grandchildren, step grandchildren or a mother-in-law or father-in-law, two days bereavement leave will be granted. To be paid at average earnings.

The Company will consider requests for compassionate leave due to other traumatic events or difficult personal circumstances on a case-by-case basis. Compassionate leave in this situation is at the Line Manager's discretion.

In the event of the death of a child, including a stillbirth, please see Parental Bereavement Leave Policy which applies instead of this policy. The Company may grant further compassionate leave in this situation at its discretion.

If the employee is still unable to return to work following compassionate leave they should contact their Line Manager. The Company may, at its discretion, grant the employee further compassionate leave in those circumstances. Alternatively, the employee may be able to take a period of annual leave, subject to Their Line Manager's approval.

29.3. REQUESTING COMPASSIONATE LEAVE

The Company recognises that it may not always be possible to request compassionate leave in advance. However, where it is possible, the employee should make a request to their Line Manager.

Where it is not possible to request leave in advance the employee should contact their Line Manager as soon as possible to tell them the reason for the absence and the number of days that they expect to be absent. Someone can do this on their behalf if necessary.

30. PARENTAL BEREAVEMENT LEAVE POLICY

30.1. ABOUT THIS POLICY

This policy sets out the arrangements for parental bereavement leave, which is a type of

compassionate leave intended to help employees deal with the death of a child or a stillbirth after at least twenty-four weeks of pregnancy.

For compassionate leave in other circumstances please see our Compassionate Leave Policy.

This policy does not form part of any employee's contract of employment, and the Company may amend it at any time.

30.2. ENTITLEMENT TO PARENTAL BEREAVEMENT LEAVE

Parental bereavement leave can be one week, two consecutive weeks, or two separate weeks. It can be taken at any time during the first fifty-six weeks after the child's death.

Further compassionate leave may be available under the Compassionate Leave Policy at the Company's discretion. Employees should speak to their Line Manager if they require further time off in addition to parental bereavement leave.

30.3. PARENTAL BEREAVEMENT PAY

Employees may qualify for statutory parental bereavement pay (SPBP) during parental bereavement leave if:

- They have at least twenty-six weeks' continuous employment ending on the Saturday before the child died; and
- They earn at least the lower earnings limit for class 1 national insurance contributions.

SPBP is only payable in respect of whole weeks of leave, at the same rate as statutory paternity pay. The rate is set by the government each tax year.

All employees are entitled to full pay during parental bereavement leave. This includes any statutory parental bereavement pay that may be payable.

For salaried employees, full pay is based on your basic pay. For hourly-paid employees, it is based on an average over a two-month period.

31. JURY SERVICE

Should an employee be called upon to undertake Jury Service, they must inform their Supervisor or Line Manager immediately and provide copies of all court correspondence.

The court will issue a loss of earnings form. This form enables the employee to claim for loss of earnings and allowances, such as pay and travel expenses.

Pay would normally be set at the minimum wage, if this amount is lower than the employee's normal salary or hourly rate then the Company will pay the difference upon production of relevant evidence, for a period of up to two weeks' jury service.

Should the court not require the employee for odd days during the period of Jury Service, they will be required to return to work for that period of time and resume normal duties until needed in court.

32. PUBLIC DUTIES

If an employee is a Justice of the Peace or a member of certain bodies (e.g., a Councillor) they are entitled to reasonable time off without pay, subject to the needs of the Company.

The employee's manager must approve this time off. On joining the Company, the employee must declare their involvement in such public duties. If they wish to undertake any public duties subsequently they must inform their manager in advance.

33. APPROVED ACTIVITIES

Paid and annual leave may be granted when attending activities such as Territorial Army, Volunteer Reserves and any other activity approved by the Company. This should be booked with and authorised by the employee's Line Manager in advance.

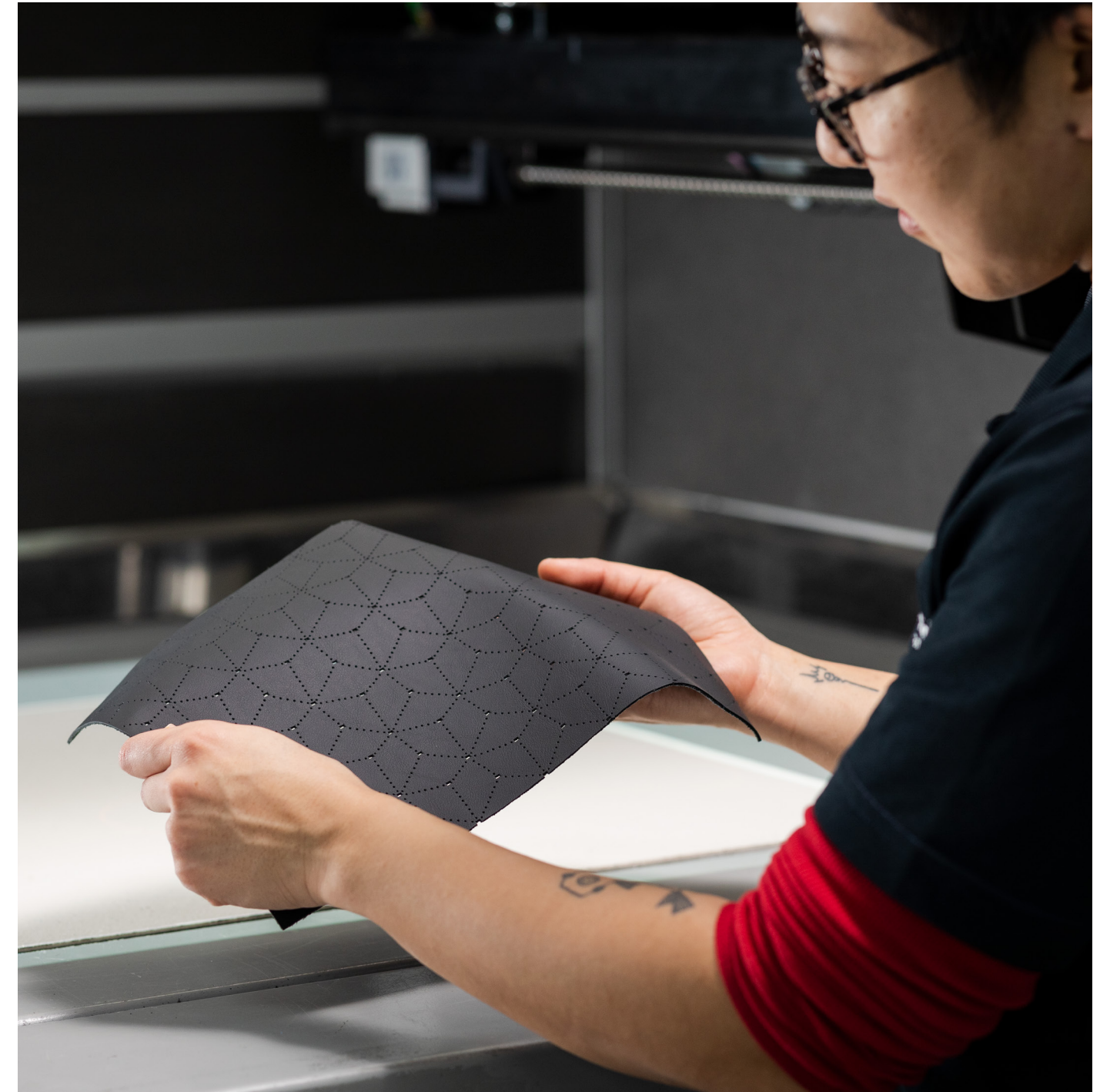
34. VOLUNTARY HEALTH RELATED ABSENCE

In cases of voluntary incapacity (e.g. vasectomy, cosmetic surgery or fertility treatment) requests for time off may be considered. The time taken for the procedure/ appointment itself must be taken as holiday or unpaid leave. In these circumstances, employees should speak to their Line Manager.

If the procedure leads to a period of time off to recover and the employee supplies a fit note, they will be entitled to Statutory Sick Pay. Employees are not entitled to claim Company sick pay in these circumstances.

Section 3: Employee Protection

1. CCTV Policy
2. Employee Valuables
3. Right of Search
4. Theft and Fraud
5. Civil Recovery
6. Adverse Weather Policy



1. CCTV POLICY

1.1. PURPOSE

This policy sets out how the Company's approach to the use of CCTV in the workplace affects employees, and the processes which are followed to ensure continued compliance with the Information Commissioner's Office Code of Practice and all relevant legislation.

Misuse of personal data gathered through CCTV surveillance systems can be a criminal offence. All Company employees must familiarise themselves with this policy and ensure that they follow it at all times when handling this personal data.

1.2. RESPONSIBILITIES

The Data Controller for the Company is the Finance Director. Employees can obtain contact details for the Data Controller through their Line Manager.

The Data Controller is responsible for:

- Monitoring compliance with this policy.
- Ensuring an annual review of the effectiveness of the CCTV system and processes for the stated purposes.
- Ensuring proactive checks or audits of compliance with this system are carried out.
- Responding to queries regarding the CCTV system or this policy.

Managers are responsible for:

- Ensuring that signage in their work area is clear and unobstructed.
- Providing information regarding the Data Controller when requested.
- Referring any queries regarding this policy to the Data Controller or HR Team as appropriate.

The HR Team is responsible for:

- Ensuring that Subject Access Requests are responded to and compliant with the General Data Protection Regulations and the Data Protection Act.
- Responding to queries regarding the CCTV system or this policy.

The IT Department is responsible for:

- Ensuring that relevant software updates are installed as required.
- Maintaining a list of the CCTV system's authorised users.

1.3. PURPOSE OF CCTV

The purposes of the Group installing and using CCTV systems include to:

- Assist in the prevention or detection of crime or equivalent malpractice.
- Assist in the identification and prosecution of offenders.
- Monitor the security of the Company's business premises.
- Ensure that health and safety rules and Company procedures are being complied with.
- Assist with the identification of unauthorised actions or unsafe working practices that might result in disciplinary proceedings being instituted against employees and to help in providing relevant evidence.
- Ensure levels of customer service are maintained.
- Promote productivity and efficiency.
- Ensure adequate employee cover.

1.4. CAMERA LOCATIONS

Cameras are located at various points in each of the Company's business premises. Cameras are positioned so that they only cover communal or public areas on the Company's business premises, and have been sited so that they provide clear images. A full list of current camera locations can be requested from the Data Controller. Any employee in possession of such a list must not share the list with anyone outside of the Company, as to do so could compromise the security of the Company's premises.

Signage is displayed clearly and prominently at the entrances to Company premises and signs are displayed at regular intervals throughout the premises to remind all persons within the premises that CCTV is in use.

1.5. LIMITS ON USE OF CCTV

CCTV will not be operated in toilets, private offices or changing rooms, unless this is necessary for the investigation of a serious crime or there are circumstances in which there is a serious risk to health and safety or to the operation of the Company's business. CCTV will be used in this way only where it is a proportionate means of achieving the aim in the circumstances.

1.6. RECORDING AND RETENTION OF IMAGES

Images produced by the CCTV equipment are as clear as possible so that they are effective for the purposes for which they are intended. Maintenance checks of the equipment are undertaken on a regular basis to ensure it is working properly and that the media is producing high quality images.

Images may be recorded either in constant real-time (24 hours a day throughout the year), or only at certain times, as the needs of the business dictate.

Images from CCTV footage will be securely stored. Images gathered will not be stored on a shared network drive to which non-authorised personnel have access. The images will be retained only long enough for an incident to come to light and any investigation to be conducted. In normal circumstances, CCTV footage will be securely deleted after 30 days. The two exceptions to this are:

(a) Where CCTV footage is gathered as evidence following an accident, incident or other health and safety concern being raised, it will be retained for a period of not less than three years following that incident.

(b) Where CCTV footage is used as evidence in a disciplinary, capability or grievance process, it will be retained for a period of not less than four months following the closure of that process (including any appeal).

In both cases, the additional retention is due to the potential relevance of such evidence in legal proceedings or claims which could be brought against the Company. If no such proceedings commence, the data would then be deleted. If such proceedings commence then the footage will be retained until such proceedings have concluded and anyone who is identifiable in the footage, but not reasonably likely to be aware of such proceedings, will be informed that this data will be required to be retained for a longer period.

1.7. ACCESS TO AND DISCLOSURE OF IMAGES

Only authorised personnel will have access to CCTV footage. This will normally be members of

the Company's security team. It could also include members of HR, an employee's line manager, and managers in the business area in which the footage is taken. However, information would normally be shared only in this way if the Company has reason to believe that a criminal offence or misconduct has occurred.

When authorised personnel access CCTV footage, they should ensure that they do so in a manner which prevents unauthorised personnel from inadvertently being able to view footage (for example by viewing footage in a private office).

Workers, whose images are recorded have a right to view images of themselves and to be provided with a copy of the images. Workers making such a request should provide the Company with a photograph or a description of themselves, together with the relevant time and date of the image, so that they may be easily identifiable. If you want to make a request, please send the request to the HR Team in writing or via email to hr@scottishleathergroup.com. If any manager within the Company receives a request for personal information, they should ensure that this is forwarded immediately to the HR Team.

1.8. EVIDENCE FROM CCTV FOOTAGE

CCTV evidence may be used against an employee in disciplinary proceedings only where such evidence tends to show, in the reasonable belief of the Company, that they have been guilty of misconduct. The employee will be given the opportunity to see and respond to the images in these circumstances.

Disclosure of images to other third parties will only be made in accordance with the purposes for which the system is used and will be limited to:

- The police and other law enforcement agencies, where the images recorded could assist in the prevention or detection of a crime or the identification and prosecution of an offender or the identification of a victim or witness.
- Prosecution agencies, such as the Crown Office and Procurator Fiscal Service (COPFS).
- Relevant legal representatives.

The Data Controller, and the Company's CEO, are the only people permitted to authorise disclosure of information to external third parties such as law enforcement agencies.

1.9. REFERENCE

For further information regarding the use of CCTV, please refer to the Information Commissioner's Office - <https://ico.org.uk/>.

Should you wish to raise a concern or complaint relating to the use of CCTV within the Company, please refer to the Grievance Policy for details of how to do so.

2. EMPLOYEE VALUABLES

The Company cannot be held responsible for the loss, damage, or theft of your personal belongings at any time whilst in the workplace. Wilful damage to another employee's property is considered to be gross misconduct.

3. RIGHT OF SEARCH

The Company has the right to carry out searches whilst you are on its premises. The search may include your locker, car, bag or anything else you are carrying. A search may be carried out at any

time in the interest of reducing theft.

There may be occasions when you may be asked to participate in a personal search. Personal searches will always be conducted in an enclosed office and away from the general view. In a personal search you may be asked to show the contents of anything you are carrying, turn out your pockets, remove your shoes and socks or take off any outer garments such as your jacket.

A minimum of two people, at least one of whom will be suitably trained or a member of management, will conduct the personal search. At least one of the two will be of the same sex as you.

Although you cannot be forced to undergo a search, any unreasonable refusal may be considered insubordination and therefore may lead to disciplinary action. We may also involve the police at any appropriate stage of the search.

4. THEFT AND FRAUD

The Company trusts you with its property, products and confidentiality and believes that you will behave honestly and with integrity whilst working for it. We all share this responsibility and you are expected to report dishonest behaviour to your manager. The unauthorised possession of any Company property or property belonging to another employee could result in dismissal, prosecution, or both.

It is the Company's intention to prosecute, when appropriate, via criminal and civil courts, any employee identified or suspected of committing a crime against the Company. In addition, the employee will be subject to disciplinary action, which may result in dismissal.

5. CIVIL RECOVERY

Employees who commit crimes against the Company may also face procedures to obtain compensation from them. This will not only include the cost of the loss but also any time and equipment used in the investigation. Civil recovery is additional and not an alternative to criminal prosecution.

6. ADVERSE WEATHER POLICY

You are expected to make a genuine and reasonable effort to report to work at the contractual start time. It is accepted that for employees living in outlying areas, this may involve having to make special arrangements, such as leaving for work earlier than would normally be the case. However, you are not expected to, and should not, put yourself at risk. No employee will be required to attend work if it is unsafe to do so.

If you are affected by adverse weather e.g., very heavy snow falls, severe flooding etc. and are unable to reach work, you will be allowed to take the day as a holiday or as unpaid leave.

Where a decision is taken to close any of our facilities or to allow employees to leave early, employees will be notified and will be paid as normal.

Section 4: Business Communication and Equipment

1. IT and Communications Systems Policy
2. Social Media
3. Cyber Security Policy
4. Company Equipment
5. Language in the Workplace
6. Media Enquiries
7. Mobile Phones and other Electronic Devices
8. Data Protection Policy
9. Privacy Notice for Employees, Workers and Contractors



Section 4

1. IT AND COMMUNICATIONS SYSTEMS POLICY

1.1. ABOUT THIS POLICY

The Company's IT and communications systems are intended to promote effective communication and working practices. This policy outlines the standards you must observe when using these systems, when we will monitor their use, and the action we will take if you breach these standards.

The Company's IT department has overall responsibility for this policy and will work with the HR Team to review and keep it up to date.

Any breach of this policy may be dealt with under the Company's Disciplinary Policy and in serious cases, may be treated as gross misconduct leading to summary dismissal.

This policy does not form part of any employee's contract of employment and the Company may amend it at any time.

1.2. EQUIPMENT SECURITY AND PASSWORDS

You are responsible for the security of the equipment allocated to or used by you, and you must not allow it to be used by anyone other than in accordance with this policy. You should use passwords on all IT equipment, particularly items that you take out of the office. You should keep your passwords confidential and change them regularly.

You must only log on to the Company's systems using your own username and password. You must not use another person's username and password or allow anyone else to log on using your username and password.

If you are away from your desk you should log out or lock your computer. You must log out and shut down your computer at the end of each working day.

1.3. SYSTEMS AND DATA SECURITY

You should not delete, destroy or modify existing systems, programs, information or data (except as authorised in the proper performance of your duties).

You must not download or install software from external sources without authorisation from IT. Downloading unauthorised software may interfere with our systems and may introduce viruses or other malware.

You must not attach any device or equipment including mobile phones, tablet computers or USB storage devices to our systems without authorisation from IT.

The Company monitors all e-mails passing through its system for viruses. You should exercise particular caution when opening unsolicited e-mails from unknown sources. If an e-mail looks suspicious do not reply to it, open any attachments or click any links in it.

Inform IT immediately if you suspect your computer may have a virus.

Any inappropriate or malicious use may lead to disciplinary action.

1.4. E-MAIL / TEAMS / ZOOM

Adopt a professional tone and observe appropriate etiquette when communicating with third parties by any method.

Remember that e-mails and chat histories can be used in legal proceedings and that even deleted e-mails and chat histories may remain on the system and be capable of being retrieved.

You must not send abusive, obscene, discriminatory, racist, harassing, derogatory, defamatory, pornographic, or otherwise inappropriate messages.

You should not:

- Send or forward private messages at work which you would not want a third party to read.
- Send or forward chain mail, junk mail, cartoons, jokes, or gossip.
- Contribute to system congestion by sending trivial messages or unnecessarily copying or forwarding messages to others who do not have a real need to receive them; or
- Send messages from another person's account (unless authorised) or under an assumed name.

Do not use your own personal accounts to send or receive messages for the purposes of Company business. Only use the account provided to you by the Company.

1.5. USING THE INTERNET

Internet access is provided solely for business purposes.

You should not access any web page or download any image or other file from the internet which could be regarded as illegal, offensive, in bad taste or immoral. Even web content that is legal in the UK may be in sufficient bad taste to fall within this prohibition. As a general rule, if any person (whether intended to view the page or not) might be offended by the contents of a page, or if the fact that our software has accessed the page or file might be a source of embarrassment if made public, then viewing it will be a breach of this policy.

The Company may block or restrict access to some websites at its discretion.

1.6. MONITORING

The Company's systems enable it to monitor telephone, e-mail, voicemail, internet and other communications. For business reasons, and in order to carry out its legal obligations as an employer, your use of Company systems including the telephone and computer systems (including any personal use) may be continually monitored by automated software or otherwise.

The Company reserves the right to retrieve the contents of e-mail messages or check internet usage (including pages visited and searches made) as reasonably necessary in the interests of the business, including for the following purposes (this list is not exhaustive):

- To monitor whether the use of the e-mail system or the internet is legitimate and in accordance with this policy.
- To find lost messages or to retrieve messages lost due to computer failure.
- To assist in the investigation of alleged wrongdoing, or
- To comply with any legal obligation.

1.7. PROHIBITED USE OF COMPANY SYSTEMS

Misuse or excessive personal use of the Company's telephone or e-mail systems, or inappropriate internet use, will be dealt with under the Company's Disciplinary Policy. Misuse of the internet can in some cases be a criminal offence.

Creating, viewing, accessing, transmitting, or downloading any of the following material will usually amount to gross misconduct (this list is not exhaustive):

- Pornographic material (that is, writing, pictures, films and video clips of a sexually explicit or arousing nature).
- Offensive, obscene, or criminal material or material which is liable to cause embarrassment to us or to our clients.
- A false and defamatory statement about any person or organisation.
- Material, which is discriminatory, offensive, derogatory or may cause embarrassment to others (including material which breaches our Equal Opportunities Policy or our Anti-harassment and Bullying Policy).
- Confidential information about us or any of our employees or clients (except as authorised in the proper performance of your duties).
- Unauthorised software.
- Any other statement which is likely to create any criminal or civil liability (for you or us), or
- music or video files or other material in breach of copyright.

2. SOCIAL MEDIA POLICY

2.1. ABOUT THIS POLICY

This policy is in place to minimise the risks to the Company, through use of social media.

This policy deals with the use of all forms of social media, including but not limited to Facebook, Instagram, Pinterest, LinkedIn, Twitter, Wikipedia, Tik Tok, Snapchat, along with all other social networking sites including postings on the Company's website, intranet, Yammer and internet postings, text messages and blogs. It applies to the use of social media for business purposes as well as personal use that may affect the Company's business in any way.

This policy does not form part of any employee's contract of employment, and the Company may amend it at any time.

2.2. PERSONAL USE OF SOCIAL MEDIA

Personal use of social media is never permitted during working hours or by means of the Company's computers, networks and other IT resources and communications systems. It is permitted for the use of the Company's internal communications channels – including but not limited to Teams, Yammer or our intranet site and it should only be used in accordance with your location guidelines.

It should also never distract you from your duties, especially where it may result to harm to you or others.

2.3. PROHIBITED USE

You must avoid making any social media communications that could damage the Company's interests or reputation, even indirectly.

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You must not use social media to defame or disparage the Company, its employees or any third party; to harass, bully or unlawfully discriminate against an employee(s) or third parties; to make false or misleading statements; or to impersonate employees or third parties.

You must not express opinions on the Company's behalf via social media, unless expressly authorised to do so by your manager. You may be required to undergo training to obtain such authorisation.

You must not post comments about sensitive business-related topics, such as Company performance, or do anything to jeopardise its trade secrets, confidential information, and intellectual property. Other than on LinkedIn, you must not include Company logos or other trademarks in any social media posting or in your profile on any social media.

Any misuse of social media should be reported to the Marketing or IT department.

2.4. GUIDELINES FOR RESPONSIBLE USE OF SOCIAL MEDIA

You should make it clear in social media postings, or in your personal profile, that you are speaking on your own behalf. Write in the first person and use a personal e-mail address.

Be respectful to others when making any statement on social media and be aware that you are personally responsible for all communications which will be published on the internet for anyone to see.

If you disclose your affiliation with the Company on your profile or in any social media postings, you must state that your views do not represent those of your employer (unless you have been authorised to speak on the Company's behalf). You should also ensure that your profile and any content you post are consistent with the professional image you present to clients and employees.

You must not post disparaging or defamatory statements about the Company, its employees, clients, customers, suppliers, vendors and/or any other associates of the Company. Please note that it is how those viewing the comment perceive it which is important and comments which an employee may consider to be acceptable could still be offensive, derogatory, or discriminatory by others.

If you are uncertain or concerned about the appropriateness of any statement or posting, refrain from posting it until you have discussed it with your manager.

If you see social media content that disparages or reflects poorly on the Company, you should contact your manager. All employees are responsible for protecting the Company's business and reputation.

2.5. SOCIAL MEDIA ENGAGEMENT

The Company welcomes your association with online social media pages and would encourage employees to support its efforts to engage with social media by connecting to and commenting on the Company's social media pages.

However, you must ensure that your content, or links to other content, does not:

- Interfere with your work commitments.

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- Contain libellous, defamatory, bullying or harassing content.
- Contain breaches of copyright and data protection.
- Contain material of an illegal, sexual, or offensive nature.
- Include confidential information about the Company.
- Bring the Company into disrepute or compromise the Company's brand and/or reputation.
- Use the Company to endorse or promote any product, opinion, or political cause.

The above list is not exhaustive.

Use of social media for purely personal reasons, and where no reference is made to the Company, its subsidiary companies, employees, partners, suppliers and all other associated people/persons and stakeholders does not require approval.

2.6. BREACH OF THIS POLICY

Breach of this policy may result in disciplinary action up to and including dismissal. Any employee suspected of committing a breach of this policy will be required to co-operate with the Company's investigation.

You may be required to remove any social media content that the Company considers to constitute a breach of this policy. Failure to comply with such a request may result in disciplinary action up to and including dismissal.

3. CYBER SECURITY POLICY

3.1. INTRODUCTION

Systems, technical infrastructure, and a Company's brand can all suffer from the danger of data theft, fraud, and security breaches. To better clarify the security procedures put in place to guarantee that information stays secure and protected, the Company has developed this policy.

3.2. PURPOSE

This policy's objectives are to:

- (a) safeguard the data and infrastructure of the Company,
- (b) describe the procedures and principles that govern cyber security measures,
- (c) specify the rules for work and personal use, and
- (d) detail the Company's disciplinary procedure for policy violations.

3.3. SCOPE

This policy is applicable to all Company employees, including those who work remotely, as well as to contractors, volunteers, suppliers, interns, and anyone else who has access to the organization's computer systems, data, software, or hardware.

3.4. CONFIDENTIAL DATA

The Company defines "confidential data" as:

- Private and confidential financial data.
- Information about shareholders, suppliers, and clients.
- Information on sales and customer leads.
- Business procedures, new technologies, or trademarks.
- Passwords, tasks, and private data of employees.

- Legal documents and business contracts.

3.5. ASPECTS OF CYBER SECURITY

At a minimum, Cyber security seeks to guarantee the following aspects within the Company:

- Confidentiality - Ensuring the confidentiality of the handling of information stored by the Company and ensuring the confidentiality of the internal and external provision of information to third parties. In other words, to protect sensitive information from unauthorized disclosure or interception in an intelligible form.
- Integrity - Ensuring the integrity of the information processed and stored by the Company and of the software used. In other words, to safeguard the accuracy and completeness of information and computer software.
- Availability - Ensuring the availability of everything that is necessary for the information management so that the requirements set can be met. In other words, to ensure that information is available to users when required.
- In addition, and where required, the Company shall also adopt control measures to ensure the authenticity, accountability, non-repudiation, and reliability of information and information services depending on circumstances.
- Authenticity - Assuring the correctness of the claimed identity of an entity.
- Accountability - Assuring the traceability and responsibility of an entity for its actions and decisions.
- Non - repudiation - Preventing the future false denial of involvement by any entities.
- Reliability - Assuring the correctness of service, and behaviour and result of service is consistent and predictable.

3.6. EMAIL SECURITY

Emails can carry scams or malevolent software (for example worms, bugs etc.). To avoid virus infection or data theft, the Company's policy is always to inform employees to:

- Abstain from opening attachments or clicking any links in the situations when its content is not well explained.
- Make sure to always check email addresses and names of senders.
- Search for inconsistencies.
- Be careful with clickbait titles (for example offering prizes, advice, etc.)
- Be informed that the most effective practice to protect your email address from being employed in spoof attacks is to keep it as private as possible. This means avoiding posting it on websites and forums or including it on third-party mailing lists where it may be exposed and picked up.
- In the case that an employee is not sure of the email received, or any type of data is safe, they can always contact the Company's IT Team.

3.7. PASSWORD MANAGEMENT

- Don't share your password / password manager credentials with other employees.
- Refrain from writing down your passwords.
- Reach out to the Company's IT department once you have compromised your password.

3.8. DATA MANAGEMENT

The Company recognizes the security risks of confidential data internally and/or externally. To minimize the chances of data theft, the Company instructs all employees to:

- Adhere to personal data protection laws.
- Avoid transferring personal data such as customer and employee confidential data.
- Only share data over the Company's network.

- Not share/transfer confidential data unless necessary.
- Always use the Company's private network when sharing sensitive data.
- Only share data with authorized people, limit file access only to the necessary people.
- Use the drive provided to store data - I-drives, H drive and OneDrive for business.

3.9. DEVICE SECURITY

To ensure the security of all Company-issued devices and information, employees are required to:

- Keep all Company-issued devices, including tablets, computers, and mobile devices, password-protected (minimum of 8 characters).
- Not leave devices unattended.

3.10. SECURITY INCIDENT REPORTING

It is imperative that security incidents be immediately identified and reported in accordance with established procedures so that the appropriate corrective actions may be implemented as quickly as is practicable. The following are examples of incidents that must be reported immediately:

- Any loss of data/information, intellectual capital, software, or physical assets (or client/third party information), including for example information on laptops, smart phones, documents and working papers.
- If any employee believe that their credentials may have been compromised.
- Any actual or suspected virus-related problem. Do not attempt to address virus-related problem yourself, but rather seek assistance from the Company's IT Department.
- Inappropriate e-mail that has bypassed the Company's e-mail filtering controls (e.g., phishing, social engineering).
- Unauthorized access to information to which a person does not normally have access rights.

3.11. DISCIPLINARY ACTION

Violation of this policy can lead to disciplinary action, up to and including termination. The Company's disciplinary protocols are based on the severity of the violation. Unintentional violations only warrant a verbal warning, frequent violations of the same nature can lead to a written warning, and intentional violations can lead to suspension and/or termination, depending on the case circumstances.

4. COMPANY EQUIPMENT

Should an employee be provided with equipment to use in carrying out their role and responsibilities, they will be provided with terms and conditions regarding their usage e.g., laptops and mobile telephones.

Damage or misuse of this property may result in disciplinary action.

All equipment provided remains the property of the Company and must be returned on leaving.

On termination, all company property must be returned. In the event that any property is not returned, a reasonable sum, up to the replacement value, will be deducted from any monies due to the employee. Employees may be pursued for any additional monies owed.

The Company reserves the right to delay an employee's final payment should the return of any Company property be unnecessarily and unreasonably delayed in its return.

5. LANGUAGE IN THE WORKPLACE

There is a clear business interest in having a common language in the workplace to avoid misunderstandings with all risks these can entail, whether legal, financial or in relation to health and safety. It is also a matter of courtesy and conducive to good working relations not to exclude people from conversations that might concern them. English is the preferred language of communication in the workplace unless other languages are specifically required.

6. MEDIA ENQUIRIES

Employees must not, during their employment or after termination of their employment, discuss any aspects of their employment or make any statements regarding any parts of the Company or its clients to press, radio or television reporters.

The reason for this is to ensure that any statement given is consistent with the facts and is not misquoted. If a member of the press approaches you, please refer them to the Marketing Director of the Company.

7. MOBILE PHONES AND OTHER ELECTRONIC DEVICES

Although it is accepted that employees may wish to bring their mobile phones, and other electronic devices to work, they must be switched off and not used during working hours.

8. DATA PROTECTION POLICY

8.1. INTERPRETATION (DEFINITIONS)

- Automated Decision-Making (ADM): when a decision is made which is based solely on Automated Processing (including profiling) which produces legal effects or significantly affects an individual. The GDPR prohibits Automated Decision-Making (unless certain conditions are met) but not Automated Processing.
- Automated Processing: any form of automated processing of Personal Data consisting of the use of Personal Data to evaluate certain personal aspects relating to an individual, in particular to analyse or predict aspects concerning that individual's performance at work, economic situation, health, personal preferences, interests, reliability, behaviour, location or movements. Profiling is an example of Automated Processing.
- Company name: Scottish Leather Group Limited
- Company Personnel: all employees, workers contractors, agency workers, consultants, directors, members and others;
- Consent: agreement which must be freely given, specific, informed and be an unambiguous indication of the Data Subject's wishes by which they, by a statement or by a clear positive action, signify agreement to the Processing of Personal Data relating to them.
- Controller: the person or organisation that determines when, why and how to process Personal Data. It is responsible for establishing practices and policies in line with the GDPR. We are the Controller of all Personal Data relating to our Company Personnel and Personal Data used in our business for our own commercial purposes.
- Criminal Convictions Data: means personal data relating to criminal convictions and offences and includes personal data relating to criminal allegations and proceedings.
- Data Subject: a living, identified or identifiable individual about whom we hold Personal Data. Data Subjects may be nationals or residents of any country and may have legal rights regarding their Personal Data.
- Data Privacy Impact Assessment (DPIA): tools and assessments used to identify and reduce

risks of a data processing activity. DPIA can be carried out as part of Privacy by Design and should be conducted for all major system or business change programmes involving the Processing of Personal Data.

- Data Protection Officer (DPO): the person required to be appointed in specific circumstances under the GDPR. Where a mandatory DPO has not been appointed, this term means a data protection Manager or other voluntary appointment of a DPO or refers to the Company data privacy team with responsibility for data protection compliance.
- EEA: the 28 countries in the EU, and Iceland, Liechtenstein and Norway.
- Explicit Consent: consent which requires a very clear and specific statement (that is, not just action).
- General Data Protection Regulation (GDPR): the General Data Protection Regulation ((EU) 2016/679). Personal Data is subject to the legal safeguards specified in the GDPR.
- Personal Data: any information identifying a Data Subject or information relating to a Data Subject that we can identify (directly or indirectly) from that data alone or in combination with other identifiers we possess or can reasonably access. Personal Data includes Special Categories of Personal Data and Pseudonymised Personal Data but excludes anonymous data or data that has had the identity of an individual permanently removed. Personal data can be factual (for example, a name, email address, location or date of birth) or an opinion about that person's actions or behaviour.
- Personal Data Breach: any act or omission that compromises the security, confidentiality, integrity or availability of Personal Data or the physical, technical, administrative or organisational safeguards that we or our third-party service providers put in place to protect it. The loss, or unauthorised access, disclosure or acquisition, of Personal Data is a Personal Data Breach.
- Privacy by Design: implementing appropriate technical and organisational measures in an effective manner to ensure compliance with the GDPR.
- Privacy Guidelines: the Company privacy and GDPR related guidelines provided to assist in interpreting and implementing this Privacy Standard and Related Policies.
- Privacy Notices (also referred to as Fair Processing Notices) or Privacy Policies: separate notices setting out information that may be provided to Data Subjects when the Company collects information about them. These notices may take the form of general privacy statements applicable to a specific group of individuals (for example, employee privacy notices or the website privacy policy) or they may be stand-alone, one-time privacy statements covering Processing related to a specific purpose.
- Processing or Process: any activity that involves the use of Personal Data. It includes obtaining, recording or holding the data, or carrying out any operation or set of operations on the data including organising, amending, retrieving, using, disclosing, erasing or destroying it. Processing also includes transmitting or transferring Personal Data to third parties.
- Pseudonymisation or Pseudonymised: replacing information that directly or indirectly identifies an individual with one or more artificial identifiers or pseudonyms so that the person, to whom the data relates, cannot be identified without the use of additional information which is meant to be kept separately and secure.
- Related Policies: the Company's policies, operating procedures or processes related to this Privacy Standard and designed to protect Personal Data.
- Special Categories of Personal Data: information revealing racial or ethnic origin, political opinions, religious or similar beliefs, trade union membership, physical or mental health conditions, sexual life, sexual orientation, biometric or genetic data, and Personal Data

8.2. INTRODUCTION

This Privacy Standard sets out how the Company (“we”, “our”, “us”, “the Company”) handles the Personal Data of its customers, suppliers, employees, workers and other third parties.

This Privacy Standard applies to all Personal Data it Processes, regardless of the media on which that data is stored or whether it relates to past or present employees, workers, customers, clients or supplier contacts, shareholders, website users or any other Data Subject.

This Privacy Standard applies to all Company Personnel (“you”, “your”). You must read, understand and comply with this Privacy Standard when Processing Personal Data on our behalf and attend training on its requirements. This Privacy Standard sets out what we expect from you for the Company to comply with applicable law. Your compliance with this Privacy Standard is mandatory. Related Policies and Privacy Guidelines are available to help you interpret and act in accordance with this Privacy Standard. You must also comply with all such Related Policies and Privacy Guidelines. Any breach of this Privacy Standard may result in disciplinary action.

Where you have a specific responsibility in connection with Processing such as capturing Consent, reporting a Personal Data Breach, conducting a DPIA as referenced in this Privacy Standard or otherwise then you must comply with the Related Policies and Privacy Guidelines.

This Privacy Standard (together with Related Policies and Privacy Guidelines) is an internal document and cannot be shared with third parties, clients or regulators without prior authorisation from the DPO.

8.3. SCOPE

The Company recognises that the correct and lawful treatment of Personal Data will maintain confidence in the organisation and will provide for successful business operations. Protecting the confidentiality and integrity of Personal Data is a critical responsibility that the Company always takes seriously. The Company is exposed to potential fines of up to EUR20 million or 4% of total worldwide annual turnover, whichever is higher and depending on the breach, for failure to comply with the provisions of the GDPR.

All Operating Board members, including IT and Marketing, all line managers and supervisors are responsible for ensuring all Company Personnel comply with this Privacy Standard and need to implement appropriate practices, processes, controls and training to ensure that compliance.

The DPO is responsible for overseeing this Privacy Standard and, as applicable, developing Related Policies and Privacy Guidelines.

Please contact the DPO with any questions about the operation of this Privacy Standard or the GDPR or if you have any concerns that this Privacy Standard is not being or has not been followed. In particular, you must always contact the DPO in the following circumstances:

- (a)** if you are unsure of the lawful basis which you are relying on to process Personal Data (including the legitimate interests used by the Company) (see section 5.1 below).
- (b)** if you need to rely on Consent and/or need to capture Explicit Consent (see section 6 below).
- (c)** if you need to draft Privacy Notices (see section 8.19 below).
- (d)** if you are unsure about the retention period for the Personal Data being Processed (see section 8.11 below).

- (e)** if you are unsure about what security or other measures you need to implement to protect Personal Data (see section 8.12.(a) below).
- (f)** if there has been a Personal Data Breach (see section 8.13 below).
- (g)** if you are unsure on what basis to transfer Personal Data outside the EEA (see section 8.14 below).
- (h)** if you need any assistance dealing with any rights invoked by a Data Subject (see section 8.15 below).
- (i)** whenever you are engaging in a significant new, or change in, Processing activity which is likely to require a DPIA (see section 8.19 below) or plan to use Personal Data for purposes other than what it was collected for.
- (j)** if you plan to undertake any activities involving Automated Processing including profiling or Automated Decision-Making (see section 8.20 below).
- (k)** if you need help complying with applicable law when carrying out direct marketing activities (see section 8.21 below); or (l) if you need help with any contracts or other areas in relation to sharing Personal Data with third parties (including our vendors) (see section 8.22 below).

8.4. PERSONAL DATA PROTECTION PRINCIPLES

The Company adheres to the principles relating to Processing of Personal Data set out in the GDPR which require Personal Data to be:

- (a)** Processed lawfully, fairly and in a transparent manner (Lawfulness, Fairness and Transparency).
- (b)** Collected only for specified, explicit and legitimate purposes (Purpose Limitation).
- (c)** Adequate, relevant and limited to what is necessary in relation to the purposes for which it is Processed (Data Minimisation).
- (d)** Accurate and where necessary kept up to date (Accuracy).
- (e)** Not kept in a form which permits identification of Data Subjects for longer than is necessary for the purposes for which the data is Processed (Storage Limitation).
- (f)** Processed in a manner that ensures its security using appropriate technical and organisational measures to protect against unauthorised or unlawful Processing and against accidental loss, destruction or damage (Security, Integrity and Confidentiality).
- (g)** Not transferred to another country without appropriate safeguards being in place (Transfer Limitation).
- (h)** Made available to Data Subjects and allow Data Subjects to exercise certain rights in relation to their Personal Data (Data Subject’s Rights and Requests); and
- (i)** We are responsible for and must be able to demonstrate compliance with the data protection principles listed above (Accountability).

8.5. LAWFULNESS, FAIRNESS, TRANSPARENCY

Personal data must be Processed lawfully, fairly and in a transparent manner in relation to the Data Subject.

You may only collect, Process, and share Personal Data fairly and lawfully and for specified purposes. The GDPR restricts our actions regarding Personal Data to specified lawful purposes. These restrictions are not intended to prevent Processing, but ensure that we Process Personal Data fairly and without adversely affecting the Data Subject.

The GDPR allows Processing for specific purposes, some of which are set out below:

- (a) The Data Subject has given his or her Consent.
- (b) The Processing is necessary for the performance of a contract with the Data Subject.
- (c) To meet our legal compliance obligations.
- (d) To protect the Data Subject's vital interests; or
- (e) To pursue our legitimate interests for purposes where they are not overridden because the Processing prejudices the interests or fundamental rights and freedoms of Data Subjects. The purposes for which we process Personal Data for legitimate interests need to be set out in applicable Privacy Notices.

You must identify and document the legal ground being relied on for each Processing activity.

8.6. CONSENT

A Controller must only process Personal Data on the basis of one or more of the lawful bases set out in the GDPR, which include Consent.

A Data Subject consents to Processing of their Personal Data if they indicate agreement clearly either by a statement or positive action to the Processing. Consent requires affirmative action so silence, pre-ticked boxes or inactivity are unlikely to be sufficient. If Consent is given in a document which deals with other matters, then the Consent must be kept separate from those other matters.

Data Subjects must be easily able to withdraw Consent to Processing at any time and withdrawal must be promptly honoured. Consent may need to be refreshed if you intend to Process Personal Data for a different and incompatible purpose which was not disclosed when the Data Subject first consented.

When processing Special Category Data or Criminal Convictions Data, we will usually rely on a legal basis for processing other than Explicit Consent or Consent if possible. Where Explicit Consent is relied on, you must issue a Privacy Notice to the Data Subject to capture Explicit Consent.

You will need to evidence Consent captured and keep records of all Consents in accordance with Related Policies and Privacy Guidelines so that the Company can demonstrate compliance with Consent requirements.

8.7. TRANSPARENCY (NOTIFYING DATA SUBJECTS)

The GDPR requires Data Controllers to provide detailed, specific information to Data Subjects depending on whether the information was collected directly from Data Subjects or from elsewhere. The information must be provided through appropriate Privacy Notices which must be concise, transparent, intelligible, easily accessible, and in clear and plain language so that a Data Subject can easily understand them.

Whenever the Company collects Personal Data directly from Data Subjects, including for HR or employment purposes, it must provide the Data Subject with all the information required by the GDPR including the identity of the Controller and DPO, how and why it will use, Process, disclose, protect and retain that Personal Data through a Privacy Notice which must be presented when the Data Subject first provides the Personal Data.

When Personal Data is collected indirectly (for example, from a third party or publicly available

source), the Company must provide the Data Subject with all the information required by the GDPR as soon as possible after collecting or receiving the data. It must also check that the Personal Data was collected by the third party in accordance with the GDPR and on a basis which contemplates our proposed Processing of that Personal Data.

If you are collecting Personal Data from Data Subjects, directly or indirectly, then you must provide Data Subjects with a Privacy Notice in accordance with our Related Policies and Privacy Guidelines.

8.8. PURPOSE LIMITATION

Personal Data must be collected only for specified, explicit and legitimate purposes. It must not be further Processed in any manner incompatible with those purposes.

You cannot use Personal Data for new, different, or incompatible purposes from that disclosed when it was first obtained unless you have informed the Data Subject of the new purposes and they have Consented where necessary.

8.9. DATA MINIMISATION

Personal Data must be adequate, relevant and limited to what is necessary in relation to the purposes for which it is Processed.

You may only Process Personal Data when performing your job duties requires it. You cannot Process Personal Data for any reason unrelated to your job duties.

You may only collect Personal Data that you require for your job duties: do not collect excessive data. Ensure any Personal Data collected is adequate and relevant for the intended purposes.

You must ensure that when Personal Data is no longer needed for specified purposes, it is deleted or anonymised in accordance with the Company's data retention guidelines.

8.10. ACCURACY

Personal Data must be accurate and, where necessary, kept up to date. It must be corrected or deleted without delay when inaccurate.

You will ensure that the Personal Data we use and hold is accurate, complete, kept up to date and relevant to the purpose for which we collected it. You must check the accuracy of any Personal Data at the point of collection and at regular intervals afterwards. You must take all reasonable steps to destroy or amend inaccurate or out-of-date Personal Data.

8.11. STORAGE LIMITATION

Personal Data must not be kept in an identifiable form for longer than is necessary for the purposes for which the data is processed.

The Company will maintain retention policies and procedures to ensure Personal Data is deleted after a reasonable time for the purposes for which it was being held unless a law requires that data to be kept for a minimum time.

You must not keep Personal Data in a form which permits the identification of the Data Subject for longer than needed for the legitimate business purpose or purposes for which we originally

collected it including for the purpose of satisfying any legal, accounting or reporting requirements.

You will take all reasonable steps to destroy or erase from our systems all Personal Data that we no longer require in accordance with all the Company's applicable records retention schedules and policies. This includes requiring third parties to delete that data where applicable.

You will ensure Data Subjects are informed of the period for which data is stored and how that period is determined in any applicable Privacy Notice.

8.12. SECURITY INTEGRITY AND CONFIDENTIALITY

Protecting Personal Data - Personal Data must be secured by appropriate technical and organisational measures against unauthorised or unlawful Processing, and against accidental loss, destruction, or damage.

The Company will develop, implement and maintain safeguards appropriate to its size, scope and business, its available resources, the amount of Personal Data that it owns or maintain on behalf of others and identified risks (including use of encryption and Pseudonymisation where applicable). The Company will regularly evaluate and test the effectiveness of those safeguards to ensure security of its Processing of Personal Data. You are responsible for protecting the Personal Data that the Company holds. You must implement reasonable and appropriate security measures against unlawful or unauthorised Processing of Personal Data and against the accidental loss of, or damage to, Personal Data. You must exercise particular care in protecting Special Categories of Personal Data and Criminal Convictions Data from loss and unauthorised access, use or disclosure.

You must follow all procedures and technologies that the Company puts in place to maintain the security of all Personal Data from the point of collection to the point of destruction. You may only transfer Personal Data to third-party service providers who agree to comply with the required policies and procedures and who agree to put adequate measures in place, as requested.

You must maintain data security by protecting the confidentiality, integrity and availability of the Personal Data, defined as follows:

- (a)** Confidentiality means that only people who have a need to know and are authorised to use the Personal Data can access it;
- (b)** Integrity means that Personal Data is accurate and suitable for the purpose for which it is processed; and
- (c)** Availability means that authorised users are able to access the Personal Data when they need it for authorised purposes.

You must comply with and not attempt to circumvent the administrative, physical and technical safeguards that the Company implements and maintains in accordance with the GDPR and relevant standards to protect Personal Data.

8.13. REPORTING A PERSONAL DATA BREACH

The GDPR requires Controllers to notify any Personal Data Breach to the applicable regulator and, in certain instances, the Data Subject.

The Company has put in place procedures to deal with any suspected Personal Data Breach and

will notify Data Subjects or any applicable regulator where we are legally required to do so.

If you know or suspect that a Personal Data Breach has occurred, do not attempt to investigate the matter yourself. Immediately contact the person or team designated as the key point of contact for Personal Data Breaches. You should preserve all evidence relating to the potential Personal Data Breach.

8.14. TRANSFER LIMITATION

The GDPR restricts data transfers to countries outside the EEA to ensure that the level of data protection afforded to individuals by the GDPR is not undermined. You transfer Personal Data originating in one country across borders when you transmit, send, view or access that data in or to a different country.

You may only transfer Personal Data outside the EEA if one of the following conditions applies:

- (a)** the European Commission has issued a decision confirming that the country to which we transfer the Personal Data ensures an adequate level of protection for the Data Subject's rights and freedoms.
- (b)** appropriate safeguards are in place such as binding corporate rules (BCR), standard contractual clauses approved by the European Commission, an approved code of conduct or a certification mechanism, a copy of which can be obtained from the DPO.
- (c)** the Data Subject has provided Explicit Consent to the proposed transfer after being informed of any potential risks; or
- (d)** the transfer is necessary for one of the other reasons set out in the GDPR including the performance of a contract between us and the Data Subject, reasons of public interest, to establish, exercise or defend legal claims or to protect the vital interests of the Data Subject where the Data Subject is physically or legally incapable of giving Consent and, in some limited cases, for our legitimate interest.

8.15. DATA SUBJECT'S RIGHTS AND REQUESTS

Data Subjects have rights when it comes to how we handle their Personal Data. These include rights to:

- (a)** Withdraw Consent to Processing at any time.
- (b)** Receive certain information about the Data Controller's Processing activities.
- (c)** Request access to their Personal Data that we hold.
- (d)** Prevent our use of their Personal Data for direct marketing purposes.
- (e)** Ask us to erase Personal Data if it is no longer necessary in relation to the purposes for which it was collected or processed or to rectify inaccurate data or to complete incomplete data.
- (f)** Restrict Processing in specific circumstances.
- (g)** Challenge Processing which has been justified on the basis of our legitimate interests or in the public interest.
- (h)** Request a copy of an agreement under which Personal Data is transferred outside of the EEA.
- (i)** Object to decisions based solely on Automated Processing, including profiling (ADM).
- (j)** Prevent Processing that is likely to cause damage or distress to the Data Subject or anyone else.
- (k)** Be notified of a Personal Data Breach which is likely to result in high risk to their rights and freedoms.
- (l)** Make a complaint to the supervisory authority; and
- (m)** in limited circumstances, receive or ask for their Personal Data to be transferred to a third

party in a structured, commonly used and machine-readable format.

You must verify the identity of an individual requesting data under any of the rights listed above (do not allow third parties to persuade you into disclosing Personal Data without proper authorisation).

You must immediately forward any Data Subject request you receive to the DPO.

8.16. ACCOUNTABILITY

The Controller must implement appropriate technical and organisational measures in an effective manner, to ensure compliance with data protection principles. The Controller is responsible for, and must be able to demonstrate, compliance with the data protection principles.

The Company must have adequate resources and controls in place to ensure and to document GDPR compliance including:

- (a) Appointing a suitably qualified DPO (where necessary) and an executive accountable for data privacy.
- (b) Implementing Privacy by Design when Processing Personal Data and completing DPIAs where Processing presents a high risk to rights and freedoms of Data Subjects;
- (c) Integrating data protection into internal documents including this Privacy Standard, Related Policies, Privacy Guidelines or Privacy Notices;
- (d) Regularly training Company Personnel on the GDPR, this Privacy Standard, Related Policies and Privacy Guidelines and data protection matters including, for example, Data Subject's rights, Consent, legal basis, DPIA and Personal Data Breaches. The Company must maintain a record of training attendance by Company Personnel; and
- (e) Regularly testing the privacy measures implemented and conducting periodic reviews and audits to assess compliance, including using results of testing to demonstrate compliance improvement effort.

8.17. RECORD-KEEPING

The GDPR requires the Company to keep full and accurate records of all of its data Processing activities.

You must keep and maintain accurate corporate records reflecting the Company Processing including records of Data Subjects' Consents and procedures for obtaining Consents in accordance with the Company's record-keeping guidelines.

These records should include, at a minimum, the name and contact details of the Controller and the DPO, clear descriptions of the Personal Data types, Data Subject types, Processing activities, Processing purposes, third-party recipients of the Personal Data, Personal Data storage locations, Personal Data transfers, the Personal Data's retention period and a description of the security measures in place. To create the records, data maps should be created which should include the detail set out above together with appropriate data flows.

8.18. TRAINING AND AUDIT

The Company is required to ensure that all Company Personnel have undergone adequate training to enable them to comply with data privacy laws. It must also regularly test its systems and processes to assess compliance.

You must undergo all mandatory data privacy related training and ensure your team undergo similar mandatory training in accordance with the Company's mandatory training guidelines.

You must regularly review all the systems and processes under your control to ensure they comply with this Privacy Standard and check that adequate governance controls and resources are in place to ensure proper use and protection of Personal Data.

8.19. PRIVACY BY DESIGN AND DATA PROTECTION IMPACT ASSESSMENT (DPIA)

The Company is required to implement Privacy by Design measures when Processing Personal Data by implementing appropriate technical and organisational measures (like Pseudonymisation) in an effective manner, to ensure compliance with data privacy principles.

You must assess what Privacy by Design measures can be implemented on all programmes, systems, or processes that Process Personal Data by taking into account the following:

- (a) The state of the art.
- (b) The cost of implementation.
- (c) The nature, scope, context and purposes of Processing; and
- (d) The risks of varying likelihood and severity for rights and freedoms of Data Subjects posed by the Processing.

Data controllers must also conduct DPIAs in respect to high-risk Processing.

You should conduct a DPIA (and discuss your findings with the DPO) when implementing major system or business change programs involving the Processing of Personal Data including:

- (a) Use of new technologies (programs, systems or processes), or changing technologies (programs, systems or processes);
- (b) Automated Processing including profiling and ADM
- (c) Large-scale Processing of Special Categories of Personal Data or Criminal Convictions Data; and
- (d) Large scale, systematic monitoring of a publicly accessible area.

A DPIA must include:

- (a) A description of the Processing, its purposes and the Data Controller's legitimate interests if appropriate;
- (b) An assessment of the necessity and proportionality of the Processing in relation to its purpose;
- (c) An assessment of the risk to individuals; and
- (d) The risk mitigation measures in place and demonstration of compliance.

8.20. AUTOMATED PROCESSING (INCLUDING PROFILING) AND AUTOMATED DECISION-MAKING

Generally, ADM is prohibited when a decision has a legal or similar significant effect on an individual unless:

- (a) A Data Subject has Explicitly Consented;
- (b) The Processing is authorised by law; or
- (c) The Processing is necessary for the performance of or entering into a contract.

If certain types of Special Categories of Personal Data or Criminal Convictions Data are being processed, then grounds (b) or (c) will not be allowed but the Special Categories of Personal Data

and Criminal Convictions Data can be Processed where it is necessary (unless less intrusive means can be used) for substantial public interest like fraud prevention.

If a decision is to be based solely on Automated Processing (including profiling), then Data Subjects must be informed when you first communicate with them of their right to object. This right must be explicitly brought to their attention and presented clearly and separately from other information. Further, suitable measures must be put in place to safeguard the Data Subject's rights and freedoms and legitimate interests.

The Company must also inform the Data Subject of the logic involved in the decision making or profiling, the significance and envisaged consequences and give the Data Subject the right to request human intervention, express their point of view or challenge the decision.

A DPIA must be carried out before any Automated Processing (including profiling) or ADM activities are undertaken.

8.21. DIRECT MARKETING

The Company is subject to certain rules and privacy laws when marketing to its customers.

For example, a Data Subject's prior consent is required for electronic direct marketing (for example, by email, text or automated calls). The limited exception for existing customers known as "soft opt in" allows organisations to send marketing texts or emails if they have obtained contact details in the course of a sale to that person, they are marketing similar products or services, and they gave the person an opportunity to opt out of marketing when first collecting the details and in every subsequent message.

The right to object to direct marketing must be explicitly offered to the Data Subject in an intelligible manner so that it is clearly distinguishable from other information.

A Data Subject's objection to direct marketing must be promptly honoured. If a customer opts out at any time, their details should be suppressed as soon as possible. Suppression involves retaining just enough information to ensure that marketing preferences are respected in the future.

8.22. SHARING PERSONAL DATA

Generally, the Company is not allowed to share Personal Data with third parties unless certain safeguards and contractual arrangements have been put in place.

You may only share the Personal Data which the Company holds with another employee, agent or representative of our group (which includes our subsidiaries and our ultimate holding Company along with its subsidiaries) if the recipient has a job-related need to know the information and the transfer complies with any applicable cross-border transfer restrictions.

You may only share the Personal Data that the Company holds with third parties, such as its service providers, if:

- (a) They have a need to know the information for the purposes of providing the contracted services.
- (b) Sharing the Personal Data complies with the Privacy Notice provided to the Data Subject and, if required, the Data Subject's Consent has been obtained.
- (c) The third party has agreed to comply with the required data security standards, policies and

procedures and put adequate security measures in place.

- (d) The transfer complies with any applicable cross border transfer restrictions; and
- (e) A fully executed written contract that contains GDPR-approved third party clauses has been obtained.

8.23. CHANGES TO THIS PRIVACY STANDARD

The Company keeps this Privacy Standard under regular review.

This Privacy Standard does not override any applicable national data privacy laws and regulations in countries where the Company operates.

9. PRIVACY NOTICE FOR EMPLOYEES, WORKERS AND CONTRACTORS

9.1. WHAT IS THE PURPOSE OF THIS DOCUMENT?

The Company is committed to protecting the privacy and security of your personal information.

This privacy notice describes how the Company collects and uses personal information about you during and after your working relationship with it, in accordance with the General Data Protection Regulation (GDPR).

It applies to all employees, workers and contractors.

The Company is a "data controller". This means that it is responsible for deciding how it holds and uses personal information about you. It is required, under data protection legislation, to notify you of the information contained in this privacy notice.

This notice applies to current and former employees, workers and contractors. This notice does not form part of any contract of employment or other contract to provide services. The Company may update this notice at any time but if it does so, it will provide you with an updated copy of this notice as soon as reasonably practical.

It is important that you read and retain this notice, together with any other privacy notice that the Company may provide, on specific occasions when it is collecting or processing personal information about you, so that you are aware of how and why it is using such information and what your rights are under the data protection legislation.

9.2. DATA PROTECTION PRINCIPLES

The Company will comply with data protection law. This says that the personal information that it holds about you must be:

- (a) used lawfully, fairly and in a transparent way.
- (b) collected only for valid purposes that we have clearly explained to you and not used in any way that is incompatible with those purposes.
- (c) relevant to the purposes we have told you about and limited only to those purposes.
- (d) accurate and kept up to date.
- (e) kept only as long as necessary for the purposes we have told you about.
- (f) kept securely.

9.3. THE KIND OF INFORMATION WE HOLD ABOUT YOU

Section 4

Personal data, or personal information, means any information about an individual from which that person can be identified. It does not include data where the identity has been removed (anonymous data).

There are certain types of more sensitive personal data which require a higher level of protection, such as information about a person's health or sexual orientation. Information about criminal convictions also warrants this higher level of protection.

The Company will collect, store, and use the following categories of personal information about you:

- (a) personal contact details such as name, title, addresses, telephone numbers, and personal email addresses.
- (b) date of birth.
- (c) gender.
- (d) marital status and dependants.
- (e) next of kin and emergency contact information.
- (f) national Insurance number.
- (g) bank account details, payroll records and tax status information.
- (h) salary, annual leave, pension and benefits information.
- (i) start date and, if different, the date of your continuous employment.
- (j) leaving date and your reason for leaving.
- (k) location of employment or workplace.
- (l) copy of driving licence.
- (m) recruitment information (including copies of right to work documentation, references and other information included in a CV or cover letter or as part of the application process).
- (n) employment records (including job titles, work history, working hours, holidays, training records and professional memberships).
- (o) compensation history.
- (p) performance information.
- (q) disciplinary and grievance information.
- (r) CCTV footage and other information obtained through electronic means.
- (s) information about your use of our information and communications systems.
- (t) photographs.

The Company may also collect, store and use the following more sensitive types of personal information:

- (a) information about your race or ethnicity, religious beliefs, sexual orientation and political opinions.
- (b) trade union membership.
- (c) information about your health, including any medical condition, health and sickness records, including:
- (d) where you leave employment and under any share plan operated by a group Company the reason for leaving is determined to be ill-health, injury or disability, the records relating to that decision;
- (e) details of any absences (other than holidays) from work including time on statutory parental leave and sick leave; and
- (f) where you leave employment and the reason for leaving is related to your health, information about that condition needed for pensions and permanent health insurance purposes.
- (g) information about criminal convictions and offences.

Section 4

9.4. HOW IS YOUR PERSONAL INFORMATION COLLECTED?

The Company collects personal information about employees, workers and contactors through the application and recruitment process, either directly from candidates or sometimes from an employment agency or background check provider. It may sometimes collect additional information from third parties including former employers, credit reference agencies or other background check agencies.

The Company will collect additional personal information in the course of job-related activities throughout the period of you working for it.

9.5. HOW THE COMPANY WILL USE INFORMATION ABOUT YOU

The Company will only use your personal information when the law allows it to do so. Most commonly, it will use your personal information in the following circumstances:

- (a) Where it needs to perform the contract it has entered into with you.
- (b) Where it needs to comply with a legal obligation.
- (c) Where it is necessary for legitimate interests pursued by it or a third party and your interests,

It may also use your personal information in the following situations, which are likely to be rare:

- (a) Where it needs to protect your interests (or someone else's interests).
- (b) Where it is needed in the public interest or for official purposes.

9.6. SITUATIONS IN WHICH WE WILL USE YOUR PERSONAL INFORMATION

The Company needs all categories of information in the list above primarily to allow it to perform its contract with you and to enable it to comply with legal obligations. In some cases, it may use your personal information to pursue legitimate interests, provided your interests and fundamental rights do not override those interests. The situations in which it will process your personal information are listed below.

- (a) Making a decision about your recruitment or appointment.
- (b) Determining the terms on which you work for it.
- (c) Checking you are legally entitled to work in the UK.
- (d) Paying you and, if you are an employee or deemed employee for tax purposes, deducting tax and National Insurance contributions (NICs).
- (e) Providing benefits to you.
- (f) Inviting you to participate in any share plans operated by the Company.
- (g) Granting awards under any share plans operated by the Company.
- (h) Administering your participation in any share plans operated by the Company, including communicating with you about your participation and collecting any tax and NICs due on any share awards.
- (i) Enrolling you in a pension arrangement in accordance with its statutory automatic enrolment duties.
- (j) Liaising with the trustees or Managers of a pension arrangement operated by the Company, your pension provider, and any other provider of employee benefits.
- (k) Administering the contract, it has entered into with you.
- (l) Business management and planning, including accounting and auditing.
- (m) Conducting performance reviews, managing performance, and determining performance requirements.
- (n) Making decisions about salary reviews and compensation.

- (o) Assessing qualifications for a particular job or task, including decisions about promotions.
- (p) Gathering evidence for possible grievance or disciplinary hearings.
- (q) Making decisions about your continued employment or engagement.
- (r) Making arrangements for the termination of our working relationship.
- (s) Education, training, and development requirements.
- (t) Dealing with legal disputes involving you, or other employees, workers, and contractors, including accidents at work.
- (u) Ascertaining your fitness to work.
- (v) Managing sickness absence.
- (w) Complying with health and safety obligations.
- (x) To prevent fraud.
- (y) To monitor your use of our information and communication systems to ensure compliance with our IT policies.
- (z) To ensure network and information security, including preventing unauthorised access to our computer and electronic communications systems and preventing malicious software distribution.
- (aa) To conduct data analytics studies to review and better understand employee retention and attrition rates.
- (bb) Equal opportunities monitoring.
- (cc) Any other appropriate reasons.

Some of the above grounds for processing will overlap and there may be several grounds which justify our use of your personal information.

9.7. IF YOU FAIL TO PROVIDE PERSONAL INFORMATION

If you fail to provide certain information when requested, the Company may not be able to perform the contract which it has entered into with you (such as paying you or providing a benefit), or it may be prevented from complying with its legal obligations (such as to ensure the health and safety of our workers).

9.8. CHANGE OF PURPOSE

The Company will only use your personal information for the purposes for which it collected it, unless it reasonably considers that it needs to use it for another reason and that reason is compatible with the original purpose. If the Company needs to use your personal information for an unrelated purpose, it will notify you and explain the legal basis which allows it to do so.

Please note that the Company may process your personal information without your knowledge or consent, in compliance with the above rules, where this is required or permitted by law.

9.9. HOW WE USE PARTICULARLY SENSITIVE PERSONAL INFORMATION

“Special categories” of particularly sensitive personal information, such as information about your health, racial or ethnic origin, sexual orientation or trade union membership, require higher levels of protection. The Company needs to have further justification for collecting, storing and using this type of personal information. It has in place an appropriate policy document and safeguards which it is required by law to maintain when processing such data. It may process special categories of personal information in the following circumstances:

- (a) In limited circumstances, with your explicit written consent.
- (b) Where it needs to carry out its legal obligations or exercise rights in connection with employment.

- (c) Where it is needed in the public interest, such as for equal opportunities monitoring or in relation to our occupational pension scheme.

Less commonly, the Company may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else’s interests) and you are not capable of giving your consent, or where you have already made the information public.

9.10. SITUATIONS IN WHICH WE WILL USE YOUR SENSITIVE PERSONAL INFORMATION.

In general, the Company will not process particularly sensitive personal information about you unless it is necessary for performing or exercising obligations or rights in connection with employment. On rare occasions, there may be other reasons for processing, such as it is in the public interest to do so. The situations in which the Company will process your particularly sensitive personal information are listed below:

- (a) It will use information about your physical or mental health, or disability status, to ensure your health and safety in the workplace and to assess your fitness to work, to provide appropriate workplace adjustments, to monitor and manage sickness absence and to administer benefits including statutory maternity pay, statutory sick pay, pensions, and permanent health insurance. It needs to process this information to exercise rights and perform obligations in connection with your employment.
- (b) If you leave employment and, under any share plan operated by the Company, the reason for leaving is determined to be ill-health, injury or disability, it will use information about your physical or mental health, or disability status in reaching a decision about your entitlements under the share plan.
- (c) If you apply for an ill-health pension under a pension arrangement operated by the Company, it will use information about your physical or mental health in reaching a decision about your entitlement.
- (d) It will use information about your race or national or ethnic origin, religious, philosophical or moral beliefs, or your sexual life or sexual orientation, to ensure meaningful equal opportunity monitoring and reporting.
- (e) It will use trade union membership information to pay trade union premiums, register the status of a protected employee and to comply with employment law obligations.

9.11. DOES THE COMPANY NEED YOUR CONSENT?

The Company does not need your consent if it uses special categories of your personal information in accordance with its written policy to carry out its legal obligations or exercise specific rights in the field of employment law. In limited circumstances, it may approach you for your written consent to allow it to process certain particularly sensitive data. If it does so, it will provide you with full details of the information that it would like and the reason it needs it, so that you can carefully consider whether you wish to consent. You should be aware that it is not a condition of your contract with the Company that you agree to any request for consent from us.

9.12. INFORMATION ABOUT CRIMINAL CONVICTIONS

The Company may only use information relating to criminal convictions where the law allows it to do so. This will usually be where such processing is necessary to carry out its obligations and provided, it does so in line with its data protection policy.

The Company will only collect information about criminal convictions if it is appropriate given the nature of the role and where it is legally able to do so. Where appropriate, it will collect information

about criminal convictions as part of the recruitment process or it may be notified of such information directly by you in the course of you working for the Company.

9.13. AUTOMATED DECISION-MAKING

Automated decision-making takes place when an electronic system uses personal information to make a decision without human intervention. The Company is allowed to use automated decision-making in the following circumstances:

- (a) where it has notified you of the decision and given you twenty-one days to request a reconsideration.
- (b) where it is necessary to perform the contract with you and appropriate measures are in place to safeguard your rights.
- (c) in limited circumstances, with your explicit written consent and where appropriate measures are in place to safeguard your rights.
- (d) if it makes an automated decision on the basis of any particularly sensitive personal information, it must have either your explicit written consent or it must be justified in the public interest, and the Company must also put in place appropriate measures to safeguard your rights.

You will not be subject to decisions that will have a significant impact on you based solely on automated decision-making, unless the Company has a lawful basis for doing so and has notified you.

9.14. DATA SHARING

The Company may share your data with third parties, including third-party service providers and other entities in the group.

The Company requires third parties to respect the security of your data and to treat it in accordance with the law.

The Company may transfer your personal information outside the EU. If it does so, you can expect a similar degree of protection in respect of your personal information.

9.15. WHY MIGHT YOU SHARE MY PERSONAL INFORMATION WITH THIRD PARTIES?

The Company will share your personal information with third parties where required by law, where it is necessary to administer the working relationship with you or where it has another legitimate interest in doing so.

9.16. WHICH THIRD-PARTY SERVICE PROVIDERS PROCESS MY PERSONAL INFORMATION?

“Third parties” includes third-party service providers (including contractors and designated agents) and other entities within our group. The following activities are carried out by third-party service providers: payroll, pension administration, benefits provision and administration, IT services.

The Company will share personal data relating to your participation in any share plans operated by the Company with third party administrators, nominees, registrars and trustees for the purposes of administering the share plans.

It will share personal data regarding your participation in any pension arrangement operated by the Company with the trustees or scheme Managers of the arrangement in connection with the

administration of the arrangements.

9.17. HOW SECURE IS MY INFORMATION WITH THIRD-PARTY SERVICE PROVIDERS AND OTHER ENTITIES IN OUR GROUP?

All Company third-party service providers are required to take appropriate security measures to protect your personal information in line with the Company's policies. It does not allow third-party service providers to use your personal data for their own purposes. It only permits them to process your personal data for specified purposes and in accordance with its instructions.

9.18. WHAT ABOUT OTHER THIRD PARTIES?

The Company may share your personal information with other third parties, for example in the context of the possible sale or restructuring of the business. In this situation it will, so far as possible, share anonymised data with the other parties before the transaction completes. Once the transaction is completed, it will share your personal data with the other parties if and to the extent required under the terms of the transaction.

The Company may also need to share your personal information with a regulator or to otherwise comply with the law. This may include making returns to HMRC, disclosures to stock exchange regulators and disclosures to shareholders such as directors' remuneration reporting requirements.

9.19. DATA SECURITY

The Company has put in measures to protect the security of your information. Details of these measures are available upon request.

Third parties will only process your personal information on the Company's instructions and where they have agreed to treat the information confidentially and to keep it secure.

The Company has put in place appropriate security measures to prevent your personal information from being accidentally lost, used or accessed in an unauthorised way, altered or disclosed. In addition, it limits access to your personal information to those employees, agents, contractors and other third parties who have a business need to know. They will only process your personal information on the Company's instructions and they are subject to a duty of confidentiality. The Company has put in place procedures to deal with any suspected data security breach and will notify you and any applicable regulator of a suspected breach where we are legally required to do so.

9.20. DATA RETENTION - HOW LONG WILL YOU USE MY INFORMATION FOR?

The Company will only retain your personal information for as long as necessary to fulfil the purposes that it collected it for, including for the purposes of satisfying any legal, accounting, or reporting requirements. To determine the appropriate retention period for personal data, it considers the amount, nature, and sensitivity of the personal data, the potential risk of harm from unauthorised use or disclosure of your personal data, the purposes for which it processes your personal data and whether it can achieve those purposes through other means, and the applicable legal requirements.

In some circumstances the Company may anonymise your personal information so that it can no longer be associated with you, in which case it may use such information without further notice to you. Once you are no longer an employee, worker or contractor of the Company it will retain and securely destroy your personal information in accordance with our data retention policy.

9.21. RIGHTS OF ACCESS, CORRECTION, ERASURE, AND RESTRICTION - YOUR DUTY TO INFORM US OF CHANGES

It is important that the personal information held about you is accurate and current. Please keep the Company informed if your personal information changes during your working relationship with us.

9.22. YOUR RIGHTS IN CONNECTION WITH PERSONAL INFORMATION

Under certain circumstances, by law you have the right to:

- (a) Request access to your personal information (commonly known as a “data subject access request”). This enables you to receive a copy of the personal information we hold about you and to check that we are lawfully processing it.
- (b) Request correction of the personal information that we hold about you. This enables you to have any incomplete or inaccurate information we hold about you corrected.
- (c) Request erasure of your personal information. This enables you to ask us to delete or remove personal information where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal information where you have exercised your right to object to processing (see below).
- (d) Object to processing of your personal information where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground. You also have the right to object where we are processing your personal information for direct marketing purposes.
- (e) Request the restriction of processing of your personal information. This enables you to ask us to suspend the processing of personal information about you, for example if you want us to establish its accuracy or the reason for processing it.
- (f) Request the transfer of your personal information to another party.

If you want to review, verify, correct, or request erasure of your personal information, object to the processing of your personal data, or request that the Company transfers a copy of your personal information to another party, please contact the Company’s HR Team in writing.

9.23. NO FEE USUALLY REQUIRED

You will not have to pay a fee to access your personal information (or to exercise any of the other rights). However, the Company may charge a reasonable fee if your request for access is clearly unfounded or excessive. Alternatively, it may refuse to comply with the request in such circumstances.

9.24. WHAT WE MAY NEED FROM YOU

The Company may need to request specific information from you to help it confirm your identity and ensure your right to access the information (or to exercise any of your other rights). This is another appropriate security measure to ensure that personal information is not disclosed to any person who has no right to receive it.

9.25. RIGHT TO WITHDRAW CONSENT

In the limited circumstances where you may have provided your consent to the collection, processing and transfer of your personal information for a specific purpose, you have the right to withdraw your consent for that specific processing at any time. To withdraw your consent, please contact the Company’s HR Team. Once it has received notification that you have withdrawn your consent, the Company will no longer process your information for the purpose or purposes you

originally agreed to, unless it has another legitimate basis for doing so in law.

9.26. CHANGES TO THIS PRIVACY NOTICE

The Company reserves the right to update this privacy notice at any time, and will provide you with a new privacy notice when it makes any substantial updates. It may also notify you in other ways from time to time about the processing of your personal information.

If you have any questions about this privacy notice, please contact the HR Team.

Section 5: General Policies

1. Quality Policy
2. Environment, Social and Governance (ESG) Policy
3. Customer Complaints Policy & Procedure
4. Purchasing Policy
5. Risk Management & Assurance Policy
6. Assurance Framework
7. SLG Chemical Management Policy



Section 5

1. QUALITY POLICY

It is the policy of the Company to provide Customers with products and services that meet their needs whilst allowing it to prosper as a business.

Operating Objectives:

1. To ensure that customers are the focus of the Company's business.
2. To satisfy fully, the agreed requirements of its customers.
3. To operate a Quality Management System which ensures continual improvement and complies with the requirements of IATF 16949:2016, ISO 9001:2015, AS9100 Revision D, the Marine Equipment Directive (MED), VCA (ECE-118-03) and EN ISO/IEC 17025:2017 (Flammability and Toxicity testing) and relevant Customer Specific Requirements.
4. To recognise that the success of its business is determined by its people and to give them training, guidance, and assistance to develop their own abilities and potential.
5. To continually develop its business.

A Quality Assurance system is in operation which is designed to comply with the requirements of IATF 16949:2016, ISO 9001:2015, AS9100 Revision D, the Marine Equipment Directive (MED), VCA (ECE-118-03) and EN ISO/IEC 17025:2017 (Flammability and Toxicity testing) and relevant Customer Specific Requirements.

The Quality Management Systems Manual outlines the systems used within the Company and the complementary Business Procedures and Standard Operating Procedures detail the methods that are employed to operate these systems.

2. ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) POLICY

It is the policy of the Company that the affairs are managed in a manner which ensures that, wherever possible, the improvement in quality of emissions to water, land or air is a constant aim and a significant feature in process and investment decision making towards sustainable manufacture of leather.

Sustainable Development either directly via its own activities or via its supply chains is integral and fundamental to the business strategy of the Company.

It will be the responsibility of the Head of Sustainability to identify relevant criteria, compliance and implement and operate in accordance with most up to date standards across the ESG agenda to satisfy the requirements to which we subscribe. This policy is reviewed annually.

The Company is committed to lead the sustainable manufacturing of leather, reducing both the direct and indirect impact of our activity; towards a zero-impact product and minimised corporate footprint.

It is the Company's policy to:

- Comply with all relevant legislation, regulations and requirements pertaining to environmental, commercial trading or matters regarding the proper and respectful employment and treatment of people in our direct employment and in our supply chain - (e.g. practices for welfare, ethical trading, anti-bribery and modern slavery, health, safety and the wellbeing of employees and the development of skilled and respected employees).
- Use Customer driven and focussed decision making to inform & produce the lowest measured

footprint leather to satisfy customer needs and objectives; to go “beyond sustainability” by leading and influencing customers and suppliers through thought leadership and innovative product development.

- Innovate to create new and lower impact processes and products to underpin the cyclical, sustainable manufacturing of low embedded carbon products.
- Support the waste hierarchy (avoid, reduce, reuse, recycle) via internalisation of all residual waste.
- Maximise energy efficiency and to source economically competitive power from self-generation or certified low/ zero carbon sources.
- Reduce the resources consumed in the manufacture of our products, through efficient manufacturing techniques, as measured using Life Cycle Analysis (LCA)
- To use our influence within our supply chain and stakeholders to create a sustainable platform for our products and to reduce risk to our customers.

It is the policy of the Company that the purchasing of all raw materials (energy, chemistry, hides, packaging) is managed in a manner which ensures that products are not sourced from areas of Deforestation, (Forest risk Commodities) or regions of Conflict (Conflict minerals). Raw hides will be responsibly sourced and preferably from local sources where the husbandry practices respect the requirements of the Five Freedoms principles and can be effectively traced to origin. We preferentially source sustainable materials, where economically feasible to do so.

In accordance with its accreditation and commitment to the U.N. Global Compact, the Company’s operations and that of its immediate supply chain shall meet or exceed obligations stated in the Company’s Supplier Code of Conduct as audited accordingly and we restate that commitment annually in accordance with Policy.

Sustainable manufacturing is integral and fundamental to the business strategy of the Company.

2.1. GOVERNANCE

Environmental and Sustainability metrics are scrutinised and reported consistently, both internally and externally on a frequent and regular basis. It is our Policy to report environmental performance metrics in a transparent and factual manner, preferably using independently audited data, to maintain the highest standards of credibility. To maintain compliance to regulatory reporting for Streamlined Energy and Carbon Reporting (SECR) and voluntary reporting, in accordance with the GHG Protocol, the Company maintains a base year emissions recalculation initiative, utilising the most up to date standard and current year carbon metrics. In the event of restructuring, the Company would revise the base year, as per the ongoing business structure. The base year emissions will be recalculated:

- If the calculation methodology changes.
- If significant errors are found, amounting to more than 5% of the emissions for each scope.
- If the structure of the Company changes, such as the acquisition or disposal of a site.
- If there are new categories added to the scopes.
- If there are significant changes to published carbon metrics.

All Carbon emissions will be recalculated if any of the above occurs and such changes will be documented and reported to senior management and any requisite external stakeholders. The base year will not be recalculated if new categories are added, where the requisite data was not available during the base year.

3. CUSTOMER COMPLAINTS POLICY AND PROCEDURE

Customer complaints are owned by the Customer Quality Manager (CQ). Q-Pulse is used as a tracker only, details are held in 8D record attached to Q-Pulse. All complaints to be recorded in Q-Pulse even if completed on a customer’s portal etc.

For full details of the customer complaint Procedure refer to BP 022 CAPA Customer complaints, this can be found within Q-Pulse.

4. PURCHASING POLICY

4.1. INTRODUCTION

The purpose of the policy is to establish the Company’s purchasing policy (internal & external use) and assist in improving its own sustainability supporting its commitments (e.g., Corporate Social Responsibility and Environmental reports). The policy is to be used to underpin the Company’s commitments towards zero waste, low carbon, equity and fair trade. This Purchasing Policy applies to all areas of the Company in any situation where they are involved in a purchasing process, whether as requisitioner, purchaser or negotiator, or those who validate or authorise payment.

‘Purchasing’ includes all procurement activities including leasing and hiring and may where appropriately include other activities accompanying the life cycle of goods (or service contracts) and the end-of-life disposal of goods which have been procured. Adherence to the Purchasing Policy is both an individual and a corporate responsibility.

4.2. POLICY OBJECTIVES

The Company’s Purchasing Policy exists for several purposes of which these objectives are expanded below. The policy commits the Company, and every individual involved in purchasing and supply management processes within the Company, to use their best endeavours to ensure that purchasing and contracting activities are:

- Ethically, environmentally, and socially responsible.
- Legal.
- Accountable and auditable.
- Economically effective.
- Open to continuous improvement and development, particularly by training and development of employees.

In addition, it is the Company’s objective that it will employ suppliers and contractors who subscribe to and operate on similar principles and the management of outsourced activities on an organisation’s behalf, are similarly expected to abide by and promote these principles.

4.3. GENERAL PRINCIPLES

The Purchasing Policy recognises that a combination of centralised and decentralised purchasing is the most appropriate method to achieve the purchasing objectives within the Company. Centrally negotiated contract agreements needs to be used (where they exist), to maximise purchasing power for the Company and to obtain optimum value for money. In specialist areas the technical needs of the purchasing department will determine the specification and the Procurement Manager will then help to arrange competitive quotes as appropriate, assisting each area to meet the terms of the Company’s Purchasing Policy.

4.4. ETHICALLY, ENVIRONMENTALLY, AND SOCIALLY RESPONSIBLE

CSR policies are set at the highest level within the Company. It is important that the purchasing function ensures that it is fully represented in the formulation of such policies. Areas of CSR policies that are relevant to the purchasing and supply chain within the Company may include some or all of the following:

- Environmental responsibility.
- Human rights.
- Equal opportunities.
- Diversity.
- Corporate governance.
- Sustainability.
- Impact on society.
- Ethics and ethical trading.

All suppliers are required to sign the Supplier Code of Conduct Policy before trading with the Company.

In accordance with the Company's CSR policy, where possible, providing suppliers have met the basic factors such as quality, price, consistency, and service then the Company will give preference to suppliers with sustainable products, suppliers with published environmental commitments or continuous improvement plans and to suppliers working towards or with a recognised accreditation e.g., ISO 14001.

The Company prefers to purchase goods and services that can demonstrate a lower overall (life cycle) environmental impact. The purchasing function will actively engage with suppliers to reduce environmental impacts:

- Reviewing material specifications, packaging requirements and transportation channels.
- Conducting sustainability and an ethical audit to be carried out on all existing and new suppliers (categorised by size/spend/importance). Audits and performance will be monitored on a quarterly basis where feedback, supplier performance and any training needs will be identified and reviewed.
- The Company will treat with all actual and potential suppliers and contractors fairly, equally and objectively.
- The Company's purchasing procedures will reflect the need to encourage diversity in the supply base, and encourage where appropriate the development of small suppliers, start-up companies and local suppliers.
- All reasonable attempts will be made to assist suppliers to overcome difficulties and/or to improve their performance for the Company.

Specific concerns may require this policy statement to be amplified - nonetheless, the following represent the minimum acceptable commitment:

The sourcing of less costly labour and resources is a central part of the group procurement role: nonetheless, the Company will not support sourcing where the minimum and (nationally or internationally) legally required standards are not applied. Where observance of such minima is temporarily absent, it will work with the supplier to help restore the situation, but all contracts must make it clear that continued abuse will be held to justify abnegation of the contract without further

warning or redress.

4.5. LEGALITY

Purchasing and contracting activity will fully respect and comply with the following:

- All applicable UK laws and regulations.
- All applicable European Union laws, directives, and regulations. The relevant laws, regulations and so on of other territories in which our organisations operate, to which we supply, or from which the Company sources.
- Environmental regulations

4.6. GOVERNANCE

All procurement in the Company needs to go through its purchasing software and adhere to the following governance:

- Suppliers need to go through the Supplier Onboarding Process, be approved and set up in the Company's purchase system. Suppliers are also evaluated and monitored through the Company Business Processes.
- Authorisation purchase levels are agreed by CFO or CEO and are set up for each person who authorises purchase order spend.
- Purchase Orders are required to be created, authorised, and sent to suppliers before the purchase of all products and services. Exceptions:
- Urgent requirements out of normal office hours. For example, machine not working need parts or contractor to resolve the problem.
- Blanket Purchase Order given to Engineering to be used in these cases to give to supplier. Details to be sent to Purchasing team who will fill in Purchase Order details next working day.
- Personal expenses and accommodation.
- Non-Purchase Order approval to be sent to person claiming and a Director.
- Freight invoices lower than £50.
- Non-Purchase Order approval to be sent to freight budget holder.
- Any other exceptions need to be authorised on a case-by-case basis by CFO or CEO.

4.7. ACCOUNTABILITY

The Company will maintain systems, whether manual or electronic, that will, for all purchases and contracts record, identify and as appropriate provide justification for:

- The purpose for which the requisition was made.
- The route by which the requisition was approved.
- To procure the requirement, with all relevant documentation (for example Requests for Quotation, Tender documents and so on) and the reasons for decisions made.
- The source of supply.

4.8. PROCUREMENT ROLES

Procurement roles are authorised by the CFO or CEO and are set up in the Company's Dynamics 365 software:

- Requestor – create a Purchase Order requisition.
- Creator – create the Purchase Order, requires access to create Purchase Order.
- Authoriser – authorises a Purchase Order, require authorisation of the category and limit of

Purchase Order.

- Receiver – receive the Purchase Order when the product is delivered or service completed, require access to maintain a Purchase Order.

A Purchase Order cannot be created, authorised, and received by the same person to create split responsibilities and SOX compliance.

4.9. QUOTES AND TENDER

Purchases over £100 without a fixed available price list needs to have at least one quote for best practice procurement.

Large purchases or repetitive procurement for the same category is to be tendered to get the best value for the site. Levels for how quotes and tenders are to be used for one off purchase or annual spend:

- £100 - £9,999 – require one quote
- £10,000 - £24,999 – require two quotes
- £25,000 - £49,999 – require three quotes, tender process is also recommended
- 50,000 - above – require tender process

Exceptions to more than one quote or tender process is:

- Only one company can provide the part or service.
- Original Equipment Manufacturer part is required.

Single source procurement approval can be given by the CFO or CEO.

4.10. PURCHASE ORDER

Purchase Orders on behalf of the Company can only be approved by nominated roles within the company according to the below table:

Category of spend	Post Level 1	Level 1	Post Level 2	Level 2	Post Level 3	Level 3
Hides	Hide Procurement & By-Product Sales Director	All	CCO	All	CFO	Above £500k
Chemicals	Operations Director	All	COO	All	CFO	Above £100k
Other Production Consumables	Head of Procurement	All	COO	All	CFO	Above £100k
Fixed Assets	Head of Engineering	All	COO	Above £25,000	CFO	Above £100k
Freight and carriage costs	Head of Financial Accounting	All	Finance Director	Above £25,000		
Contract labour	COO	All	COO	Above £100,000		

Function	Cost centre	Location	Post Level 1	Level 1	Post Level 2	Level 2	Post Level 3	Level 3
Tannery Production – B1	1001	102	B1 Production Manager	£5,000	Hide Procurement & By-Product Sales Director	£25,000	COO	Above £25,000
Tannery Production - Seedhill	1025	111	B1 Production Manager	£5,000	Hide Procurement & By-Product Sales Director	£25,000	COO	Above £25,000
Dunn Street Costs	1520	123	B2 Production Manager	£5,000	B2-B4 Operations Director	£25,000	COO	Above £25,000
Finishing Production – B2	1102 1105 1101	120	B2 Production Manager	£5,000	B2-B4 Operations Director	£25,000	COO	Above £25,000
Finishing Production – B3	1150 1152	121	B3 Production Manager	£5,000	B2-B4 Operations Director	£25,000	COO	Above £25,000
Finishing Prod'n/Warehouse – B4	1202 1205	122	B4 Warehouse Manager	£5,000	B2-B4 Operations Director	£25,000	COO	Above £25,000
Production Overheads – B2-4	1506	134	B2 Production Manager	£5,000	B2-B4 Operations Director	£25,000	COO	Above £25,000
Leather Cutting Dept. – B5	1220	125	B5 Production Manager	£5,000	B5 Operations Director	£25,000	COO	Above £25,000
Warehouse – B5	1225	125	B5 Production Manager	£5,000	B5 Operations Director	£25,000	COO	Above £25,000
WTRP/TEP	1440	135	Recycling Plant General Manager	£5,000	Head of Engineering	£25,000	COO	Above £25,000
Engineering & Maintenance	1505	140, 102, 120, 121, 122, 123, 125, 135	Head of Engineering	£25,000	COO	Above £25,000		

Function	Cost centre	Location	Post Level 1	Level 1	Post Level 2	Level 2	Post Level 3	Level 3
Technical	1503	140	Technical Director	£25,000	COO	Above £25,000		
Laboratory	1507	140	Laboratory Manager	£5,000	Head of Quality	£25,000	COO	Above £25,000
Quality	1508	140	Head of Quality	£25,000	COO	Above £25,000		
Health & Safety	1704	140	Head of H&S	£25,000	COO	Above £25,000		
Irvin	1350	124	Commercial Director	£25,000	CCO	Above £25,000	CFO	Above £100,000
3C	1360	124	Commercial Director	£25,000	COO	Above £25,000	CFO	Above £100,000
Sales Automotive	1650	160	Automotive Sales Director	£25,000	CCO	Above £25,000		
Sales Aviation	1651	160	Aviation Sales Director	£25,000	CCO	Above £25,000		
Account Management	1652	160	Acc Management Director	£25,000	CCO	Above £25,000		
Commercial	1653	160	Commercial Director	£25,000	CCO	Above £25,000		
Marketing	1670	160	Head of Marketing	£25,000	CCO	Above £25,000		
Innovation	1708	160	Head of Innovation & Sustainability	£25,000	CCO	Above £25,000		
Aviation R&D	1709	160	Head of Aviation R&D	£25,000	CCO	Above £25,000		

Function	Cost centre	Location	Post Level 1	Level 1	Post Level 2	Level 2	Post Level 3	Level 3
Procurement	1701	180	Procurement Manager	£25,000	CFO	Above £25,000		
Admin General	1702	180	Finance Director	£25,000	CFO	Above £25,000		
Finance	1703	180	Finance Director	£25,000	CFO	Above £25,000		
IT Non-capital costs	1705	180	Head of IT	£25,000	CFO	Above £25,000		
HR Costs	1706	180	HR Director	£25,000	CFO	Above £25,000		

4.11. ECONOMIC EFFECTIVENESS

The Company spends a considerable portion of its revenues on bought-in goods and services, and procuring such goods and services in the most economically effective manner is, subject to the legal, ethical and other restraints outlined above, the central role of the purchasing function and all those involved in purchasing will have regard to the following:

- The desired outcome is that of greatest value gained at lowest total cost.
- Total cost will as appropriate consider the full anticipated life-cycle costs of the goods or services, including such factors as maintenance, servicing, and costs of disposal where the Company may be responsible for them.

Value may and should, where appropriate, be assigned to factors such as sustainability, environmental and social benefits and of improving the competitiveness of the supplier base on which we depend. In addition to the total cost of acquisition or ownership, it is policy to reduce where possible the administrative cost of acquiring and owning goods and services.

4.12. SPEND ANALYSIS

The Purchasing Department continuously:

- Monitors who is buying what, from whom, in what quantities and how often, over what timescales and on what terms.
- Identifies opportunities to consolidate spend (e.g. across different user departments), to rationalise the number of separate suppliers and the range of different goods and services being bought, to exploit potential economies of scale, suppliers, and similarly any internal administrative economies available.
- Evaluates the progress of existing contracts and their continuing suitability.
- Maintains and monitors a Company register of approved suppliers.

The analysis will also review and if necessary, categorise the most critical assets and supplies (having particular regard, for example, to supplies that have a limited availability or supplier base, and to supplies that are or appear to be specific to a given supplier).

5. RISK MANAGEMENT & ASSURANCE POLICY

5.1. THE COMPONENTS

There are five components in the Company's Risk Management Process:

- Risk identification.
- Risk measurement and assessment.
- Risk mitigation.
- Risk reporting and monitoring.
- Risk governance.

5.2. RISK IDENTIFICATION

The first step in identifying the risks a company faces is to define all possible risks. Examples include IT risk, operational risk, regulatory risk, legal risk, political risk, strategic risk, and credit risk.

After listing all possible risks, the Company selects the risks to which it is exposed and categorises

them into core and non-core risks. Core risks are those that the Company must take to drive performance and long-term growth. Non-core risks are often not essential and can be minimized or eliminated completely.

The Risk Register is reviewed, on a quarterly basis at the Executive Team meetings and consolidated by the CFO to address key Company risks including overseas operations. These risks are then put onto a Heatmap for Review, annually by the Board. There is also an opportunity to do more of a "deep-dive" into a particular risk or risk category at any non-Quarterly Board meeting which are called by the Chairman.

5.3. RISK MEASUREMENT

Risk measurement provides information on the quantum of either a specific risk exposure or an aggregate risk exposure, and the probability of a loss occurring due to those exposures. When measuring specific risk exposure, it is important to consider the effect of that risk on the overall risk profile of the Group.

This measurement is developed, given the extent of risk and impact on the Company risk assessments are consolidated by the CFO which take this into account:

- Severity of IMPACT based on financial/operational consequences (this is based on a scale of 1-5 with 5 being the highest impact).
- LIKELIHOOD of occurrence based on remoteness or otherwise of the risk occurring (this is also based on a scale of 1-5 with 5 being the most likely to occur).

5.4. RISK MITIGATION

Having categorized and measured its risks, the Company can then decide on which risks to eliminate or minimize, and how much of its core risks to retain. Risk mitigation can be achieved through an outright sale of assets or liabilities, buying insurance, hedging with derivatives, diversification or more commonly a series of management actions/interventions.

This takes account of management actions/interventions which are in place or planned and assesses the level of risk (Impact & Likelihood) after these actions/interventions are put in place.

5.5. RISK REPORTING AND MONITORING

It is important to report regularly on specific and aggregate risk measures to ensure that risk levels remain at an optimal level.

In addition to the annual Board level reviews the Risk Register will be reviewed on a Quarterly basis with significant trends reported back to the Board.

The Risk Management Process is itself reviewed on an annual basis during the October Board Meeting.

5.6. RISK GOVERNANCE

Risk governance is the process that ensures all company employees perform their duties in accordance with the risk management framework.

Risk governance involves defining the roles of all employees, segregating duties and assigning authority to individuals, operating companies and the Board for approval of core risks, risk limits, exceptions to limits and risk reports, and also for general oversight. This is then monitored through

the Risk Assurance process .

5.7. CONCLUSION

Effective risk management plays an important role in the Company's aims of financial stability and superior performance. The adoption of a risk management process that embeds best practices into the Company's risk culture can be the cornerstone of sustainable future financial success.

6. ASSURANCE FRAMEWORK

6.1. PURPOSE AND RESPONSIBILITY

(a) It is essential that there is an effective and efficient framework in place to give sufficient, continuous, and reliable assurance on organisational stewardship and the management of the major risks to organisational success and delivery of improved, cost effective and robust processes.

(b) This assurance framework should be structured and provide reliable evidence to underpin the assessment of the risk and control environment supported by independent appraisal.

(c) There are many sources of assurance in an organisation that can be harnessed to provide the body of evidence required to support the continuous assessment of the effectiveness of the management of risk and internal control. Understanding the sources of assurance and their scope means independent appraisal can focus most effectively on the riskier areas. The structured mapping of assurances is one of the fundamental steps in building an assurance framework.

(d) The Chief Finance Officer (CFO), supported by the Board, is responsible for ensuring that there is robust governance, risk management and internal control arrangements across the whole organization. Authority, in terms of accountability and respective delegations, needs to be appropriately and clearly established and monitored.

(e) Advice on and scrutiny of key risks is a matter for the Board. The Board will routinely monitor the mitigation of certain strategic risks. These will include risks of a sufficient magnitude to threaten organisational success and reputation, or a scenario of combined risks that would have a similarly material impact. This supports the CFO in ensuring that there is regular and timely assurance on the things that are important to organisational success; in particular, the proportionate management of risks that threaten the successful achievement of business outcomes and objectives.

(f) The Board will identify the assurance need, how it will be met, whether there are any assurance gaps or overlaps, how these can best be filled and whether this will provide the sufficient, relevant, reliable assurance that it needs. These arrangements should be monitored throughout the year to ensure that sufficient assurance is being planned and delivered to avoid surprises and to enable early decisions and action to be taken on risk and control issues. This will help to routinely validate assurance. A good framework is required to support the governance process.

6.2. THREE LINES OF DEFENCE

(a) Assurance can come from many sources within an organisation. A concept for helping to identify and understand the different contributions the various sources can provide is the Three Lines of Defence model. By defining the sources of assurance in three broad categories, it helps to understand how each contributes to the overall level of assurance provided and how best they can be integrated and mutually supportive. For example, management assurances could be harnessed to provide coverage of routine operations, with internal verification activity targeted at riskier or more complex areas.

(b) It is likely to be helpful to adopt a common assurance "language" or set of definitions across the three lines to ease understanding, for example, in defining what is an acceptable level of

control or a significant control weakness.

6.3. FIRST LINE

Within the 'front-line' or business operational areas, there will be many arrangements established that can be used to derive assurance on how well objectives are being met and risks managed, for example, good policy and performance data, monitoring statistics, risk registers, reports on the routine system controls and other management information.

6.3.1. NATURE OF ASSURANCE

This comes direct from those responsible for delivering specific objectives or operation; it provides assurance that performance is monitored, risks identified and addressed and objectives are being achieved. This type of assurance may lack independence and objectivity, but its value is that it comes from those who know the business, culture and day-to-day challenges.

6.4. SECOND LINE

This work is associated with oversight of management activity. It is separate from those responsible for delivery, but not independent of the organisation's management chain. This could typically include compliance assessments or reviews carried out to determine that policy or quality arrangements are being met in line with expectations for specific areas of risk across the organisation; for example, purchase to pay systems, health and safety, information assurance, security and the delivery of key strategic objectives.

6.4.1. NATURE OF ASSURANCE

The assurance provides valuable management insight into how well work is being carried out in line with set expectations and policy or regulatory considerations. It will be distinct from and more objective than first line assurance.

6.5. THIRD LINE

This relates to independent and more objective assurance and focuses on the role of internal verification, which carries out a programme of work specifically designed to provide the Board with an independent and objective opinion on the framework of governance, risk management and control. Internal verification will place reliance upon assurance mechanisms in the first and second lines of defence, where possible, to enable it to direct its resources most effectively, on areas of highest risk or where there are gaps or weaknesses in other assurance arrangements. It may also take assurance from other independent assurance providers operating in the third line, such as those provided by independent regulators, for example HSE, ISO/Risk Management Accreditation.

As an additional line of assurance, sitting outside of the internal assurance framework and the Three Lines of Defence model, are external auditors, who are external to the organisation with a statutory responsibility for certification audit of the financial statements.

6.5.1. NATURE OF ASSURANCE

Independent of the first and second lines of defence. Internal verification operates independent of the management line and associated responsibilities. External audit operates similarly and reports mainly to the Board.

6.6. ASSURANCE MAPPING

(a) To define an assurance framework, start simply, by identifying and mapping the assurance over key risks areas. The mapping is likely to be driven by the structures adopted for individual

organisational risk registers, but could include strategic risks, significant operational risks, key processes and significant change programmes. Mapping initially at the strategic level, then extending the approach to cover other organisational areas, is likely to assist in reducing the complexity of the activity.

(b) Much of the necessary information about the risks, who the primary owners are, risk ratings and identified controls/mitigating actions, should already have been captured within risk registers and elsewhere. To this should be added the various sources of assurance and the frequency and timing of such activities. It helps to categorise these, using the Three Lines of Defence model, to evaluate and assess the assurance need, especially regarding key operational processes and systems, which may either come from the first or second line.

(c) A well-structured assurance map will highlight where there are gaps in the assurances over significant risk areas. Equally, duplicated or potentially burdensome assurance processes may be identified. Delivery of the associated assurance can be reviewed and monitored throughout the year, helping to strengthen the risk management and control environment and consequently ease the task of collating the evidence supporting the assurance process. As the approach to assurance mapping develops and matures organisations should ensure that their frameworks and maps continue to provide the required breadth of coverage of their overall risk portfolio.

(d) Assurance mapping is a two-stage process. The first stage identifies sources of assurance and potential gaps or duplications. Two complementary approaches are suggested: to identify assurance providers against key areas of risk, linked to strategic business objectives; or in relation to key business systems/processes. Both approaches are valid and each is likely to give a different perspective to the assurance environment. Assurance providers are aligned to their position within the Three Lines of Defence model.

(e) The second stage then maps the risks, systems/processes and assurances identified against the controls currently in place. An evaluation of the adequacy, in breadth and depth, of assurance coverage is then required, to ensure that there is sufficient evidence available to ascertain whether controls are effective, efficient and comprehensive. This is combined with an assessment of current assurances on the effectiveness of current controls in the mitigation of the organisation's risks to ensure that these are adequate, efficient and comprehensive.

6.7. KEY INVOLVEMENT IN THE PROCESS

(a) Assurance mapping requires good engagement across the business, including senior managers, risk owners and/or functional heads. The mapping outputs need to be useful and be seen to be so, for example, in driving efficiencies in assurance activities and helping to focus management attention on areas of risk or control requiring specific intervention to ensure delivery of key business strategies.

(b) Mapping outputs will also help with the early identification of issues that might need to be addressed and to provide specific examples of effective control and well managed risk.

6.8. REGULAR REPORTING ON ASSURANCE AND RISK

(c) The Board will need to ensure that they are receiving sufficient and timely assurance information on the management of risk to enable them to exercise good oversight. This activity may take the form of reporting against a co-ordinated Assurance Plan or Programme. Information provided should include routine reporting on assurance arrangements together with any key points needing to be escalated to the Board. A particular focus should be on the key strategic risks directly owned by the Board, but any major "routine" system and process risks should also be included.

(d) A key component of the information required by the Board will include reports from the CFO. This will ensure that the Board are sighted on significant issues in a timely fashion. From time

to time, this may call for intervention to re-focus attention and implement corrective action when necessary.

(e) Both first- and second-line assurances provide valuable information that informs directors' assurance/stewardship reporting. When drawn together with the third line assurances they provide the main information to support the assurance programme. Where the Board identify that assurance information is conflicting, or out of line with the organisation's risk appetite, performance or risk assessment information, they should investigate further. The production of half yearly updates helps to validate the process and gives time to remedy any issues identified.

(f) Similar and proportionate oversight and assurance reporting arrangements should be put in place in respect of JV's or Partnership arrangements.

7. SLG CHEMICAL MANAGEMENT POLICY

7.1. PURPOSE

At Scottish Leather Group Operations (SLG), we aim to manufacture high-performing products made with chemicals and materials that are reliably sourced and meet our highest manufacturing and customer standards. The purpose of this policy is to direct all SLG employees' actions toward meeting this intention of understanding the principles and procedures of chemical storage, distribution, chemical selection, safe use, and handling.

7.2. SCOPE

This policy applies to all chemicals purchased, sold, licensed, or distributed by SLG units. All materials, ingredients, and components of our products, are recorded via our manufacturing processes.

7.3. SUPPLY CHAIN TRANSPARENCY

To make informed decisions about chemicals use, we have information on the chemicals used in manufacturing our products. Our suppliers provide assurance and evidence that the chemicals they supply conform to the Manufacturing Restricted Substances List (MRSL). We therefore will prefer those suppliers that disclose full chemical ingredient information by date, batch, and lot numbers. Suppliers must demonstrate that chemicals restricted by our company are not present over identified thresholds.

7.4. SAFER CHEMISTRY

Our goal is to manufacture products that perform safely, effectively and use the safest available chemicals and materials across the life cycle of our products. To reach this goal, we will identify and reduce the use of chemicals of high concern, and work to replace them with safer alternatives.

7.5. INFORMED CONSUMERS

Our goal is to maintain consumer confidence in the products we sell by providing meaningful and easily accessible product composition information.

7.6. RESPONSIBILITIES

It is everyone's responsibility for safe handling, use and storage of chemicals. The following personnel have overarching responsibilities for specific areas:

- (a)** Baltic 1 – Technical Manager
- (b)** Baltic 2 – Production Manager
- (c)** Baltic 3 – Colour Manager

- (d) Baltic 4 – Chemical Manager
- (e) Thermal Energy Plant/ Water Treatment Plant – Recycling Plant General Manager
- (f) Dunn St/ Seed Hill - Dispatch Team Leader, Production Team Leader, Chemical Manager

7.7. PROCEDURE

7.7.1. THE FOLLOWING PROCEDURES TO BE FOLLOWED DURING NORMAL WORKING CONDITIONS

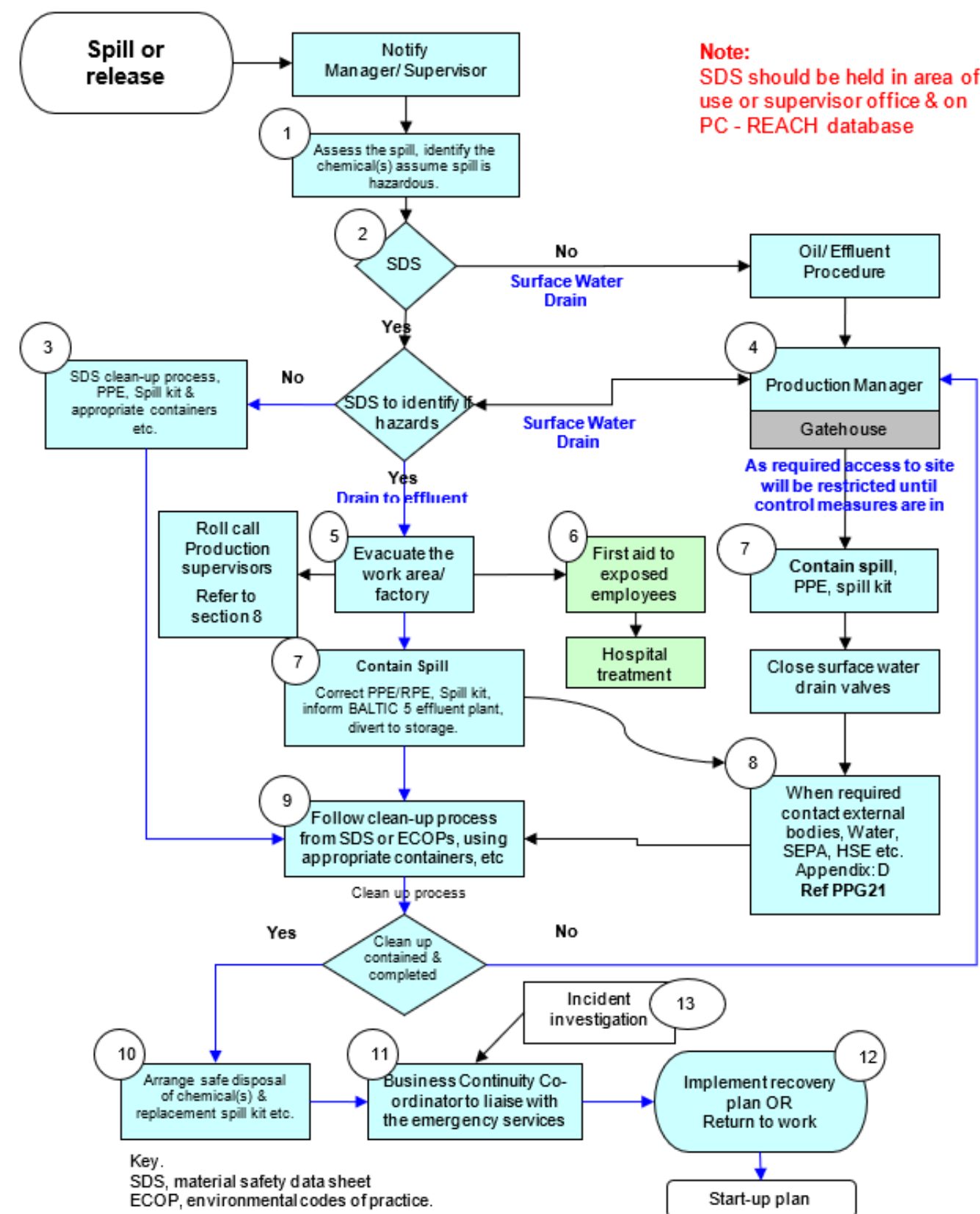
- Only Suitable Qualified and Trained Personnel are allowed to handle, move or use chemicals within each department/area of operation at SLG.
- Correct identification and selection of chemicals prior to use for that operation.
- Appropriate PPE must be used at all times.
- All movement and handling of chemicals must be used in line with relevant SOP's/SSOW:
 - [SSOW-021 Handling & Storage of Chemicals](#)
 - [SSOW-034 Moving Dyehouse Chemicals](#)
 - [SSOW-040 Manual dispense of chemicals](#)
- If at any point any person is not fully aware and trained in the use of chemicals, they are to stop immediately and seek assistance from their supervisor or Head of Department (HOD).
- This list is not exhaustive of the full procedures that each HOD/manager/supervisor/team leader must ensure that all personnel within their care or hierarchy must adhere to at all times.
- For further information regarding normal working conditions within your area of operations, please see your HOD.

7.7.2. SELECTION AND PURCHASING OF CHEMICALS

- To ensure that all chemicals are purchased in controlled manner, from approved suppliers and no unauthorised substances are used in production.
- References:
 - ISO9001 – 8.4.1, 8.4.2, 8.4.3
 - IATF16949 – 8.4.2.2, 8.4.3.1
 - ISO 45001 – 6.1.2, 8.1.4
- All chemicals used in within the production process are subject to this selection process.
- Request for new chemicals to follow SLG-12.2 to evaluate the chemical before purchasing.
- SDS sheet to be reviewed and approved by HSE, if not approved, the substance cannot be used.
- If chemical to be purchased from new supplier, supplier shall be evaluated (ref to BP 011) and once approved – added to Visual Menu.
- This does not apply for chemicals purchased as trials, until used for production process.
- Chemicals used for Dose trials and those used beyond initial development trial require codes (to be applied by technical department)
- If order exceed £50,000 it requires second authorisation
- SDS sheet and Technical Data sheets must be made available.
- Associated Procedures include BP 011 Supplier Evaluation & Development and SLG - 12.2 Control of Substances Hazardous to Health Policy.
- The following procedures are guidelines for the selection and purchase of chemicals:
 - [BP-004 Selection and Purchasing of Chemicals](#)

7.7.3. THE FOLLOWING PROCEDURES TO BE FOLLOWED DURING EMERGENCY EVENTS (RELATING TO SPILLAGES) EXTRACT ONLY

(a) Please refer to Section 7 of [SLG - Emergency Procedure Handbook](#)



❖ Back/ night shift, holiday or weekend working the senior manager on site undertakes the co-ordinating roll

7.7.4. ZDHC ASSURANCE AND EVIDENCE OF MANUFACTURING RESTRICTED SUBSTANCES LIST (MRSL)

ZDHC Assurance and evidence of Manufacturing Restricted Substances List (MRSL)

The purpose of this section is to assess awareness, understanding and management of chemicals used within the leather manufacturing process.

This section makes references to Manufacturing Restricted Substances List (MRSL). An MRSL is a list of chemical substances that are banned from intentional use in facilities processing textile materials, leather, rubber, foam, adhesives and trim parts in textiles, apparel, and footwear. Using chemical formulations that conform to an MRSL allows suppliers to assure themselves, and their customers, that banned chemical substances are not intentionally used during production and manufacturing processes. MRSL limits apply to substances in commercially available formulations, not those from earlier stages of chemical synthesis.

The above text is a selective extract full text available from <https://mrsl.roadmaptozero.com/>

A chemical formulation is a manufactured product as sold to a tannery. It includes complex formulations such as dyes and retanning agents as well as simple commodity products such as formic acid and sodium sulphide. Commodity chemicals are excluded from consideration in MRSL related questions for this version of the protocol. They will be taken into account in future versions of the protocol.

7.7.5. RECORD OF CHEMICALS

All Chemicals onsite must be listed and recorded; this includes:

- All chemicals used in production.
- All Research and Development chemicals.
- All samples.

7.7.6. STORAGE OF CHEMICALS

- All containers must be inspected for integrity following receipt and prior to storage.
- All labelling on containers must be inspected following receipt and prior to storage.
- Where applicable, bulk deliveries should be supervised unless a familiarisation and supervision brief has been given and permission granted to suppliers.

7.7.7. MATERIAL INVENTORY LISTS

- Push Back Racking System, the Issue and Receipt database includes coding relating to the product.
- Where possible, all chemical products situated in and around the racking and in specific areas must have the nature of the product recorded within a local database.
- All natures of chemicals used and stored within SLG are recorded and information provided and or displayed for ease of access.