Redundancy Policy

headlam

group plc

| Purpose: | We value our colleagues and are committed to providing long-term job security and managing the Company in the best way possible to safeguard employment. There may be occasions when changes in our working practices, advances in technology or external factors, have an impact on our workforce which could potentially result in redundancies. This policy sets out the approach we will take should we have no alternative but to consider making redundancies, and the support we will offer to our affected colleagues. | |
|--------------------------------------|---|--|
| Scope: | This Policy applies to all colleagues, regardless of their length of service. It does not form part of your terms and conditions of employment and may be subject to change at the Company's discretion. This Policy will be applied fairly and equally to all colleagues, and without any form of discrimination. This Policy does not apply to agency workers or the self-employed. | |
| Group or UK Only: | Headlam group of Companies, who work in UK Distribution, Head Office or PLC in the UK only. | |
| Issuing Department: | The HR Department | |
| Issue/Last Review Date: | September 2024 | |
| Date of Next Review (if applicable): | N/A | |

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Introduction

At Headlam, we understand that our colleagues are our greatest asset and without them we would not be the successful Company we are today. For that reason, we will always seek to avoid redundancy situations wherever possible. However, we recognise that from time-to-time redundancy situations may be unavoidable. This Policy sets out the various processes involved, and the help and support available for affected colleagues.

Alternatives to Redundancy

We will always explore measures to minimise or avoid redundancies where possible. The measures will vary depending on the business needs at the time, but could include:

- Placing restrictions on recruitment
- Ceasing the use of temporary labour
- Reducing overtime
- Redeployment
- The non-renewal of fixed-term contracts
- Freezing pay or bonuses
- Flexible working arrangements
- Layoffs (suspending work for a temporary period) and "furlough"

Consultation:

We commit to consulting fully and meaningfully with colleagues whose roles are at risk of redundancy. Consultation is an opportunity to ask questions, suggest/explore ways to prevent the redundancy, discuss redeployment opportunities, and have everyone's views heard.

Meetings

Consultation meetings will be documented, and you are entitled to a copy of the notes once they have been written up or typed. We will hold as many consultation meetings as deemed appropriate because we want to ensure colleagues have every possible opportunity to air their views and ask their questions.

Where 20 or more redundancies are proposed to take place at one site with a 90-day time period, the first redundancy will not take effect until at least 30 days after the consultation has started. Where 100 or more redundancies are proposed to take place at one site within a 90-day time period, the first redundancy will not take effect until at least 45 days after the consultation has started.

Collective Consultation

Where we propose 20 or more redundancies at one site over a 90-day period, colleagues are entitled to consult collectively if they wish, which means electing representatives to put forward the collective questions, views, suggestions and comments of the affected colleagues, In this event, we will make arrangements for the election of the colleague representatives and we commit to consulting with them fully on the general process to be followed, our redundancy proposals, and any alternative measures that could be taken to avoid or minimise the redundancy situation. We will also consult with you individually in respect of your own particular circumstances.

Companions

You are entitled to be accompanied during redundancy consultation meetings by a colleague or a registered Trade Union Representative. You should arrange your own companion or let us know if you would like our support to do this. You should let us know 24 hours in advance of your meeting who will be accompanying you.

The role of a Companion is to support you during the process. They are permitted to:

- Make notes
- Ask questions on your behalf
- Speak on your behalf if you give them permission to do so
- Adjourn the meeting to give you support and advice

Please let us know in advance if you need to us to rearrange the date/time of your meeting due to the availability of your chosen companion, or if you need us to arrange cover for a work colleague who will be taking time off their usual job to support you. We will rearrange as many times as we reasonably can, but we do reserve the right to ask you to choose an alternative companion if your preferred companion's lack of availability is disrupting the process. We will only do this in exceptional circumstances.

On very rare occasions, and only when it is absolutely necessary to do so, we reserve the right to refuse entry to a companion who we feel represents a conflict of interests or whose presence at the meeting is inappropriate. In this event we would allow you sufficient time to arrange an alternative companion.

Redundancy Selection

Selection Pool

In a redundancy situation, we will identify how many roles are at risk and will determine a fairly defined pool from which we will select colleagues for redundancy. The pool will normally consist of colleagues who carry out the same, or similar, work and perform jobs that are interchangeable. However, this may not always be the case, for example where redundancies are expected to involve the whole Company, or just one specific role.

Selection Criteria

In order to fairly select colleagues from within a defined pool for redundancy, we will, as far as is possible, use selection criteria which are objective and supported by documentary records, data or other evidence such as attendance records or sales figures. We will take all reasonable steps to construct a fair and robust set of criteria following appropriate consultation.

The selection criteria used will be at our discretion and will be fully aligned to the needs of the business. Potential criteria could include:

- Knowledge
- Experience
- Performance

- Qualifications
- Training
- Attendance
- Disciplinary records

Where it is not possible to use selection criteria (e.g. due to non-availability of objective evidence), we may resort to interviews.

Provisional Selection

We will inform you in writing if you are provisionally selected for redundancy and invite you to a consultation meeting. You will be provided with a copy of your completed selection criteria document.

Alternative Roles

Suitable Alternative Roles

We are committed to retaining as many of our valued colleagues as possible, and therefore if you are selected for redundancy, we will take reasonable steps to find you suitable alternative employment within the Company. We will consult with you about this and give you details about the application process, if there is one. We will support you to do well in any new role you undertake by providing all the necessary and appropriate guidance and training you need.

If we offer you suitable alternative employment, but you unreasonably refuse to accept it, you will lose your right to a statutory redundancy payment.

If you are on maternity leave, we will offer you any suitable alternative role that is available and you will not need to submit an application.

New Roles within the Company which are not Suitable Alternatives

In order to avoid redundancy, we encourage you not to rule out applying for completely new roles within the Company which are different from your current one. If both you and we think you might be a suitable candidate for the new role, we will endeavour to train you if possible. If we do not think your skills are aligned to the new role and the amount of training required would be extensive, we will have an honest discussion with you about that, If you take a new role within the Company as an alternative to redundancy it will be subject to a four-week trial. If it becomes clear that you are not able to carry out the new role satisfactorily, both you and the Company are entitled to end the trial and revert to redundancy.

Notice of Redundancy

If your selection for redundancy is confirmed, you will be given written notice of the termination of your employment in accordance with the notice period set out in your contract of employment. Depending on the circumstances, and entirely at the Company's discretion, we may give you a payment in lieu of notice instead of requiring you to work your notice period.

Redundancy Payment

You are entitled to receive a statutory redundancy payment if you have worked for us for at least two continuous years. This payment will be calculated in accordance with the relevant statutory redundancy pay provisions in force at the time and you can find this at https://www.gov.uk/redundancy-your-rights/redundancy-pay. You will receive a written statement showing how your redundancy pay has been calculated.

If you have not worked for us for at least two continuous years, you are not entitled to a statutory redundancy payment.

Pension

If you would like to understand how your pension may be affected by redundancy, please contact our dedicated team of administrators at Punter Southall on 0118 3130891.

Right of Appeal

You have the right to appeal our decision to select you for redundancy, for example if you feel that:

- We did not carry out a robust consultation process
- We applied the selection criteria incorrectly
- You have been unfairly disadvantaged by the selection criteria

All appeals should be submitted in writing to the HR Department, Headlam PLC, POB 1, Gorsey Lane, Coleshill, Birmingham, B46 1LW, within 5 days of receiving your written notice of redundancy.

Support

We recognise that redundancy can be a traumatic event, and we want to provide as much support as possible to our colleagues. In addition to ensuring we consult fully and sympathetically; we also commit to the following:

Time off for Training/Seeking New Employment:

We will provide a reasonable amount of paid time off to look for alternative employment for colleagues who have received written confirmation of redundancy. This could include time off to arrange training, visit a job centre, attend a job interview or meet with your outplacement consultant. You should discuss the arrangements for taking time off with your line manager and provide them with evidence of any appointments you have.

Outplacement

We recognise that colleagues affected by redundancy might be nervous about the prospect of reentering the job market. At Headlam, we want to do everything we can to support them and help smooth the transition from us to a new employer. To do this, we partner with an outplacement service called Outplacement First.

Outplacement First can provide colleagues affected by redundancy with the advice, guidance and support to help them find a new job and feel confident about pursuing new opportunities. Their services include:

- Help to navigate the job market
- Support with CV writing
- Interview preparation training; helping to build confidence and develop communication techniques
- Advice on how to network and open up more opportunities
- Negotiation training; helping candidates secure the package they deserve
- Skills assessment; helping to show colleagues what they're really good at
- Wellbeing services to help affected colleagues focus positively on the opportunity to explore something new, and perhaps even find an ideal job they might not have considered in the past

Making a Referral to Outplacement First

Managers should ask all colleagues affected by redundancy if they wish to utilise Outplacement First. If they do, Managers should call or email Outplacement First using the contact details below.

Telephone: 0345 340 9849 Direct: 0113 2052 852 Email: Laurence@outplacementfirst.co.uk

Managers will need to provide Outplacement First with the name, email address and telephone number for the colleague they are referring and specify that they are being referred for the "accessible package".

Wellbeing, advice and counselling

Redundancy situations can cause stress and feelings of insecurity. If you are concerned about your wellbeing or that of a colleague, you should speak to your/their line manager or the HR department. Alternative advice and support are available through the Company's Employee Assistance Programmes:

| | Support Type | Overview | Contact Details |
|----------------------|-----------------------------------|---|-------------------|
| Lifeworks (Telus) | Advise / Support / Counselling | Supporting on a wide variety of issues including redundancy, stress, health concerns, family matters, and much more. | Username: headlam |

We also recommend the external support and information available at:

- www.acas.org.uk/redundancy, for free online and telephone information and advice on employment law issues; and
- www.gov.uk/redundancy-your-rights, for free information from the government on employment law and rights.
- <u>www.nationalcareers.services.gov.uk</u> for support in making decisions about your future career path, links to vacancies and support to find training opportunities.

Financial Support

We encourage colleagues to contact the Furniture Makers Company to explore access to financial support. Their details are:

| | Support Type | Overview | Contact Details |
|--------------------|--------------------------------|---|-----------------|
| The Furniture | Monetary Grants / Financial | Provides dedicated financial support and monetary grants to those who are | 0 |
| Makers' Company | Support | experiencing financial difficulty, particularly in light redundancy. | |

End of Policy