



STATOM HOLDINGS Limited (Statom Group Limited, Statom Group North Ltd, Statom Plant Ltd, Statom Remediation Ltd, Demoforce Group Ltd, FL-Facilities Group Ltd, Slipform Technology Ltd, Spark Tech MEP Ltd, Franki Foundations UK Ltd, Martello Piling Ltd) ("Statom", "the Company")

We are committed to high standards of professional conduct, integrity and accountability. As a leading civil engineering and construction organisation, we recognise that the behaviour and standards of our people are fundamental to building a strong, respectful culture and protecting our reputation as a trusted industry leader.

We expect everyone working for or on behalf of the Company to act with professionalism, respect and responsibility at all times, reflecting our values and supporting a positive working environment. Clear standards of behaviour are essential to ensuring safety, quality and effective collaboration across our projects and teams.

Purpose

The purpose of this policy is to set clear standards for handling disciplinary matters, including misconduct, serious misconduct, gross misconduct, capability-linked conduct concerns and breaches of Company rules. The policy aims to ensure that employees are treated fairly, concerns are investigated properly, decisions are evidence-based, and outcomes are proportionate.

2. Scope

This policy applies to all Statom employees, including full-time, part-time, fixed-term, temporary and probationary employees. It may also be applied, where appropriate and subject to contract terms, to workers, apprentices, casual staff, agency workers, consultants, CIS contractors and subcontractors working for or on behalf of Statom. The policy applies to conduct at work, on site, at client or principal contractor premises, during work-related travel, at work-related events, online, on Company systems, and outside work where the conduct may affect Statom, colleagues, clients, safety, trust, confidentiality or reputation.

3. Policy status and relationship with other policies

This policy does not form part of any contract of employment and may be amended by Statom at any time. It should be read alongside the Employee Handbook, Code of Conduct, Equal Opportunities, Diversity and Inclusion Policy, Bullying, Harassment and Sexual Harassment Policy, Grievance Policy, Whistleblowing Policy, Data Protection Policy, Information Technology (IT) Policy, Health and Safety Policy, Alcohol and Drugs Policy, Absence and Time Off Policy, Flexible Working Policy and any site, client or project rules.

Grievances and disciplinary matters should normally be kept in separate policies and handled under the appropriate process. If a grievance is raised during a disciplinary process, Statom may pause the disciplinary process, deal with both issues together, or continue with the disciplinary process where it is fair and reasonable to do so.

4. Legal and procedural framework

Statom will apply this policy in line with the Acas Code of Practice on disciplinary and grievance procedures, the Employment Rights Act 1996, the Employment Relations Act 1999, the Equality Act 2010, whistleblowing protections, data protection law, and relevant amendments introduced by the Employment Rights Act 2025 as they come into force.

- Employees currently have day-one protection in a range of legally protected circumstances. These include protection against dismissal or detriment for automatically unfair reasons such as whistleblowing and certain health and safety activities, and separate Equality Act protection against discrimination, harassment and victimisation, including pregnancy and maternity discrimination.
- From 6 April 2026, disclosures about sexual harassment can qualify for whistleblowing protection. Disciplinary action must not be used to penalise anyone for raising, supporting or investigating a protected disclosure.

- For dismissals from 1 January 2027, the ordinary unfair dismissal qualifying period reduces to six months of continuous employment, rather than two years. Statom will therefore manage probation and early service conduct concerns carefully, fairly and consistently.
- Statom will keep this policy under review and update it where further implementation regulations, statutory codes, Acas guidance or tribunal decisions require changes.

5. Core principles

- Disciplinary matters will be handled promptly, fairly, consistently and without unlawful discrimination.
- No disciplinary sanction will normally be imposed without reasonable investigation.
- The employee will be told the allegations and potential consequences in writing before a formal hearing.
- The employee will have a reasonable opportunity to respond to the allegations and evidence.
- The employee has the right to be accompanied at a formal disciplinary hearing by a work colleague, trade union representative or trade union official.
- The Company will consider mitigation, length of service, previous record, consistency, intent, seriousness, safety risk, impact on trust and confidence, and any relevant personal circumstances.
- Managers must consider disability, health, neurodiversity, pregnancy, maternity, menopause or other protected-characteristic issues and seek HR advice where reasonable adjustments may be needed.
- Employees must not be victimised or subjected to detriment for raising concerns, whistleblowing, making discrimination or harassment complaints, acting as a witness, or supporting an investigation in good faith.

6. Informal action

Minor conduct concerns may be dealt with informally through coaching, guidance, supervision, retraining or a management conversation. Informal action is not a disciplinary sanction. Statom may proceed directly to the formal process where the issue is serious, repeated, disputed, safety-critical or unsuitable for informal resolution.

7. Suspension or temporary measures

Suspension is not a disciplinary sanction and does not imply guilt. It may be considered where reasonably necessary, including where there is a serious allegation, risk to people, property, evidence, systems, clients, safety, confidentiality or the investigation. Suspension will normally be on full pay and for no longer than necessary.

Statom may consider alternatives to suspension, such as temporary redeployment, amended duties, restricted access, different reporting lines, remote working, site exclusion, supervised working, or instruction not to contact witnesses.

8. Investigation

An investigation will be carried out to establish the facts before any disciplinary decision is made. The investigation may include reviewing documents, system records, emails, Teams messages, CCTV, site records, payroll or attendance records, witness evidence, client or contractor information, and relevant policies.

The investigation should be proportionate to the seriousness and complexity of the matter. The investigating manager should not normally chair the disciplinary hearing unless this is unavoidable and fair in the circumstances.

Employees are expected to cooperate with investigations, answer reasonable questions honestly, preserve evidence and maintain confidentiality. Deliberately misleading an investigation, interfering with witnesses, deleting evidence or retaliating against any person may be treated as misconduct or gross misconduct.

9. Formal disciplinary hearing

- Written invitation: the employee will receive written details of the allegations, possible outcomes, hearing arrangements, right to be accompanied and relevant evidence where appropriate.
- Preparation time: the employee will be given reasonable time to prepare. At least 48 hours will normally be provided, although longer may be appropriate for complex or serious matters.
- Reasonable adjustments: Statom will consider reasonable adjustments for disabled employees, neurodivergent employees and employees with health or other relevant needs.
- Hearing: the hearing manager will explain the allegations, review the evidence, hear the employee's response, consider mitigation and ask relevant questions.
- Adjournment: the hearing manager may adjourn to consider the evidence or carry out further enquiries before reaching a decision.

- Outcome: the outcome will be confirmed in writing, including the finding, sanction if any, reasons, duration of warning where applicable, improvement expectations, consequences of further misconduct and right of appeal.

10. Right to be accompanied

Employees may be accompanied at a formal disciplinary hearing or appeal hearing by a work colleague, trade union representative or trade union official. The companion may address the hearing, confer with the employee and sum up the employee's case. The companion may not answer questions on the employee's behalf unless agreed as a reasonable adjustment.

If the chosen companion is unavailable at the proposed time, the employee may suggest a reasonable alternative time, normally within five working days of the original date.

11. Disciplinary outcomes and sanctions

Possible outcomes include no action, informal guidance, further training, management support, first written warning, final written warning, dismissal with notice, summary dismissal for gross misconduct, or another appropriate sanction where contractually permitted and reasonable.

Warnings will normally remain active as follows, unless the outcome letter confirms a different period due to the circumstances:

- First written warning - normally active for 6 months.
- Final written warning - normally active for 12 months.
- Extended final written warning - may be used for very serious misconduct or where justified by risk, repeated conduct or trust concerns.

Statom will not impose demotion, deduction from pay, loss of bonus, suspension without pay or other contractual sanctions unless permitted by contract, law, written agreement or another lawful basis.

12. Misconduct examples

The examples below are not exhaustive. The seriousness of conduct will depend on the facts, context, impact, intent, role, site safety implications and whether the behaviour is repeated.

12.1 Misconduct

- Persistent lateness or poor timekeeping;
- Unauthorised absence or failure to follow absence reporting rules;
- Minor breach of Company procedures;
- Failure to follow reasonable management instructions;
- Rudeness, inappropriate language or unprofessional conduct;
- Negligent or inaccurate work;
- Failure to complete required training, certification or records;
- Minor misuse of Company equipment, vehicles, PPE, phones, systems or property;
- Failure to maintain expected standards of communication, availability or conduct.

12.2 Serious misconduct

- Repeated misconduct or failure to improve following informal action or warning;
- Leaving work, site or safety-critical duties without authority;
- Serious breach of site, client, safety or operational rules;
- Neglect of duty causing operational, financial, safety or reputational risk;
- Insubordination or refusal to follow reasonable instructions;
- Failure to report a serious incident, accident, near miss, damage, breach or safeguarding concern;
- Improper use of Company systems, vehicles, plant, tools or confidential information;
- Conduct that undermines trust, safety, team working, client confidence or operational delivery.

12.3 Gross misconduct

Gross misconduct is conduct so serious that it may justify dismissal without notice or payment in lieu of notice. Examples may include:

- Theft, fraud, bribery, corruption, falsification of records or dishonesty;
- Physical violence, serious threats, intimidation or aggressive behaviour;

- Serious bullying, harassment, sexual harassment, discrimination, victimisation or retaliation;
- Detriment or retaliation against a person who raises a concern, makes a protected disclosure, complains about harassment or sexual harassment, acts as a witness or supports an investigation;
- Serious breach of health and safety, including deliberate disregard of PPE, site rules, permit systems, plant safety, driving rules or safety-critical instructions;
- Being under the influence of alcohol, illegal drugs or other substances at work, on site or while operating vehicles, plant or equipment;
- Serious misuse of Company systems, cyber security breaches, unauthorised access, deliberate data loss or serious breach of data protection/confidentiality obligations;
- Deliberate damage to Company, client, site, colleague or third-party property;
- Serious insubordination or refusal to carry out lawful and reasonable instructions;
- Unauthorised work for personal gain during Company time, misuse of Company resources or conflict of interest;
- Serious social media, online or public conduct that damages trust, confidence, safety or the Company's reputation;
- Abuse of clients, customers, principal contractors, suppliers, members of the public or colleagues;
- Serious breach of right to work, licence, competence, certification or site access requirements;
- Covert recording, surveillance or sharing of confidential meetings or information without lawful authority or justification;
- Deliberately misleading an investigation, deleting evidence, interfering with witnesses or failing to preserve relevant records.

13. Harassment, sexual harassment and whistleblowing concerns

Allegations involving bullying, harassment, sexual harassment, discrimination, victimisation or whistleblowing must be handled with particular care. HR must be involved before any disciplinary action is taken in relation to a person who has raised, supported or investigated such concerns.

Statom may treat sexual harassment, third-party harassment, retaliation, victimisation or failure to cooperate with a harassment investigation as serious misconduct or gross misconduct. Employees must not be disciplined because they have made a complaint, raised a protected disclosure, supported a colleague, or acted as a witness in good faith.

14. Probation and early service

During probation or early employment, Statom may use probation review procedures, performance management, disciplinary procedures or dismissal procedures depending on the issue. Managers should document concerns, provide reasonable feedback and give the employee an opportunity to respond before a decision is made, unless the circumstances justify immediate action.

In preparation for the reduced unfair dismissal qualifying period that applies to dismissals from 1 January 2027, managers must ensure probation reviews are timely, evidence-based and supported by HR where conduct concerns may lead to dismissal.

15. Appeals

An employee may appeal against a disciplinary outcome. Appeals must be submitted in writing within seven calendar days of receiving the outcome letter, unless a longer period is agreed. The appeal should explain the grounds of appeal, such as procedural unfairness, new evidence, disproportionate sanction or incorrect findings.

Where possible, the appeal will be heard by a manager who was not involved in the original decision and is at least the same level of seniority as the decision-maker. The appeal outcome will be confirmed in writing and will normally be final.

16. Criminal allegations and external investigations

Where conduct may involve criminal behaviour, regulatory issues, safeguarding concerns, fraud, serious health and safety issues, immigration/right to work concerns or client/site investigations, Statom may report the matter to relevant authorities and may still proceed with an internal process where it is reasonable to do so. The Company does not need to wait for the outcome of criminal proceedings before making an employment decision where it has reasonable evidence and has followed a fair process.

17. Data protection and confidentiality

Disciplinary records will be handled confidentially and in line with data protection law and Company retention requirements. Information will be shared only with those who need it for legitimate business, legal, HR, payroll, safety, insurance, audit or regulatory purposes.

Employees, managers, witnesses and companions must maintain confidentiality during and after disciplinary processes, unless disclosure is required by law, made as a protected disclosure, or authorised by Statom.

18. Training, monitoring and consistency

Managers involved in disciplinary matters must receive appropriate guidance or training. HR will support consistency, review outcomes where appropriate, and monitor this policy for fairness, equality, legal compliance and operational effectiveness.

19. Contact

For advice on this policy, contact the Chief People Officer, HR, or the relevant senior manager. Any matter involving dismissal, final written warning, harassment, sexual harassment, discrimination, whistleblowing, health and safety, right to work, data protection or potential legal risk must be escalated to HR before action is taken.

Appendix 1 - Disciplinary process checklist

- Has the concern been clearly identified as conduct, capability, absence, grievance, whistleblowing, harassment or another issue?
- Is informal action appropriate, or is formal action required?
- Has HR been consulted where the matter is serious, sensitive or may lead to dismissal?
- Has an investigation been completed and recorded?
- Has the employee received the allegations, evidence and possible outcome in writing?
- Has the employee been given reasonable time to prepare?
- Has the right to be accompanied been confirmed?
- Have reasonable adjustments been considered?
- Has the employee had a fair opportunity to respond?
- Has mitigation and consistency been considered?
- Is the sanction proportionate and within the range of reasonable responses?
- Has the outcome been confirmed in writing with appeal rights?

Appendix 2 - Investigation and evidence checklist

- Relevant policies, contracts, site rules, training records and signed acknowledgements;
- Witness statements and interview notes;
- CCTV, access records, vehicle or plant telematics, where lawful and relevant;
- Emails, Teams messages, system logs, documents and audit trails;
- Attendance, timesheet, payroll, holiday or absence records;
- Health and safety records, permits, RAMS, accident reports and near-miss records;
- Client, principal contractor, supplier or third-party information where relevant;
- Data protection, confidentiality and privilege considerations;
- Evidence preservation steps and decisions about redaction or third-party data.

Appendix 3 - Outcome letter checklist

- Allegations considered;
- Evidence relied upon;
- Employee's response and mitigation;
- Findings and reasons;
- Sanction and why it is proportionate;
- Warning duration or dismissal details;
- Improvement expectations and support where applicable;
- Consequences of further misconduct;
- Right of appeal, appeal deadline and appeal recipient;
- Confidentiality and data protection reminders.

AUTHORISED AND SIGNED

SIGNED



Gavin Hunt
Chief Development Officer

Review: Annually
Date: 01/06/2026
Next Review: 01/06/2027

SIGNED



Martina Oyite
Chief People Officer

Review: Annually
Date: 01/06/2026
Next Review: 01/06/2027

*Review: Annually or earlier where legislation, guidance, Company practice or operational requirements change.
This policy is subject to annual review and approval by the Board.*