



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.

1. Purpose

Statom Group uses Performance Improvement Plans (PIPs) to support employees to achieve and sustain the required standards of performance. A PIP is a structured capability measure: it is not a substitute for a fair capability process and it must not be used to address misconduct.

2. Scope

This policy applies to employees, including employees in probation where appropriate. Different timescales or stages may apply during probation, but managers must still act fairly and without discrimination.

3. Core principles

- identify the required standard and the evidence of any shortfall
- give the employee a reasonable opportunity to explain the position
- consider training, workload, supervision, systems, resources, health and disability before deciding action
- make reasonable adjustments where the Equality Act 2010 requires them
- set measurable objectives and realistic review dates
- keep accurate, proportionate and confidential records
- do not predetermine an outcome

4. Informal support

Managers should normally address emerging performance concerns informally first through clear feedback, coaching, training, supervision and a reasonable review period. Serious or persistent concerns may justify moving directly to a formal capability stage.

5. Before a formal PIP

The manager must discuss the proposed PIP with HR and consider whether the issue may involve misconduct, sickness absence, disability, pregnancy, family leave, workload, inadequate training, unclear objectives or another factor requiring a different process.

6. Formal capability meeting

The employee will receive written notice of the concerns, relevant evidence, the possible outcomes and the meeting arrangements with reasonable time to prepare. At the meeting the manager will explain the concerns, hear the employee's response, consider mitigating factors and agree or confirm the improvement plan.

Where the meeting could result in a formal warning or another disciplinary/capability sanction, the employee may be accompanied by a trade union representative or work colleague in accordance with the statutory right and Company procedure. If the chosen companion is unavailable, the meeting will be postponed to a reasonable alternative time proposed by the employee that is no more than five working days after the original date, where the statutory right applies.

7. The PIP document

The PIP will record:

- the required performance standard
- the current shortfall and supporting examples
- specific, measurable and role-relevant objectives
- support, training, supervision and any reasonable adjustments
- how performance will be measured
- review dates and the overall review period
- the potential consequences if sufficient improvement is not achieved

8. Duration and reviews

A PIP will usually run for 4 to 12 weeks, but the period must be reasonable for the role, the performance issue and the support required. Reviews may be weekly or fortnightly. The Company may extend a PIP where progress is evident, an adjustment is required or additional time is otherwise reasonable.

9. Disability, health and reasonable adjustments

Where health or disability may affect performance, the Company will consider medical or occupational health advice where appropriate and will make reasonable adjustments where required. Managers must avoid treating disability-related effects as ordinary capability issues without first considering the Equality Act 2010 obligations.

10. Outcomes

- required improvement achieved: close the PIP, with a proportionate monitoring period if appropriate
- partial improvement: extend or revise the PIP where reasonable
- insufficient improvement: normally issue a formal capability warning and set a further reasonable improvement period, with clear objectives and support
- continued insufficient performance: normally consider a final capability warning and further review before dismissal, unless the circumstances reasonably justify a different stage

Dismissal will not be automatic at the end of a PIP. Before dismissal, the Company will consider the full history, support and training provided, reasonable adjustments, the seriousness of the shortfall, any mitigation, whether further improvement is realistically achievable and whether redeployment or another reasonable alternative is available. Dismissal for capability will be a last resort and will follow a fair procedure consistent with the Acas Code.

11. Appeal

An employee may appeal any formal capability warning or dismissal in writing within seven calendar days of the outcome unless the outcome letter specifies another reasonable period. The appeal should state the grounds. Where possible, it will be heard by a manager who was not responsible for the original decision, and the outcome will be confirmed in writing.

12. Data protection and retention

PIP information is confidential personal data and will be retained securely and only for as long as necessary under the Group retention schedule and Data Protection Policy.

13. Related policies

This policy should be read with the Disciplinary Policy, Equal Opportunities, Diversity and Inclusion Policy, Absence and Time Off Policy, Mental Health, Wellbeing and Work-Related Stress Policy, Learning and Development Policy and Data Protection Policy.

14. Review

The Group Chief People Officer will review this policy annually or sooner where employment law, Acas guidance or Company capability procedures change.

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.*