

## UK - REDUNDANCY POLICY

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**Responsibility for this document:**

The functional responsibility for the development, review and maintenance of this document rests with the P&O Vice President – Professional Services – EMEAI.

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## 1 Purpose and Scope

Wood values its employees and is committed to providing long-term job security and managing the business in the best way possible to safeguard employment for its employees.

However, there may be occasions when financial pressures, changes in working practices, advances in technology or external factors, have an impact on the workforce. Where this is the case, the Company will explore alternative measures to avoid a compulsory redundancy situation. Despite the Company's best efforts, certain business situations may arise where redundancies are unavoidable.

This Policy sets out the requirements that the Company will follow when faced with a potential redundancy situation and signposts the help and support available to those affected. The Policy will be applied fairly and equally to all employees, and without any form of discrimination.

This Policy applies to all UK employees. This Policy will be superseded by the content of any recognised collective bargaining/working rule agreements, site agreements or individual contracts of employment, in the event of there being any difference(s) in arrangements.

This Policy does not form part of an employee's terms and conditions of employment and is not contractual. The Company reserves the right to amend this Policy from time to time.

## 2 Roles and Responsibilities

The following roles and responsibilities apply within the context of this Policy.

### 2.1 Employees

Employees are responsible for ensuring they act in compliance with this Policy.

### 2.2 Managers

Managers are responsible for ensuring the application and adherence to this Policy. Managers are responsible for managing any potential redundancy process.

### 2.3 People & Organisation (P&O)

P&O will provide support and guidance for the application of this Policy during any potential redundancy process.

## 3 Redundancy Policy

Under s.139 of the Employment Rights Act 1996, an employee is dismissed by reason of redundancy if the dismissal is wholly or mainly attributable to the fact that:

- the employer has ceased, or intends to cease, to carry on the business for the purposes for which the employee was employed; or
- the employer has ceased, or intends to cease, to carry on that business in the place where the employee was so employed; or
- the requirements of the business for employees to carry out work of a particular kind have

ceased or diminished or are expected to cease or diminish; or

- the requirements of the business for employees to carry out work of a particular kind in the place where they were so employed, have ceased or diminished or are expected to cease or diminish.

Managers must notify P&O at the earliest opportunity if they consider that it may be necessary to reduce headcount or take alternative measures. P&O will advise on the correct procedure to be followed based on the information received.

### **3.1 Measures to Avoid or Minimise Redundancy**

The Company will consider possible alternative measures, as set out in sections 3.1.1 – 3.1.4, to minimise or avoid a redundancy situation.

#### **3.1.1 Review of Agency/Contractor Personnel**

The Company will review the use of agency workers and self-employed contractors and consider whether any such personnel could be displaced to minimise or avoid a redundancy situation. The decision to displace any such personnel will be subject to operational requirements and, where appropriate, client agreement.

#### **3.1.2 Redeployment**

The Resourcing team will be informed of any proposed redundancies in order that potential alternative employment opportunities may be identified. The Company will advise employees who are at risk of redundancy on how to find details of current internal vacancies.

Refer to section 3.8 for details of alternative employment.

#### **3.1.3 Voluntary Redundancy**

To reduce the need for compulsory redundancies, the Company may seek volunteers for redundancy.

However, the Company reserves the right to decline an employee's request for voluntary redundancy. This might be the case where too many applications are received or accepting an application is not in the best interests of the business.

If a voluntary redundancy request by the Company yields insufficient numbers to meet the required number of staffing reductions, then a selection process will be initiated for compulsory redundancies. Where there are more applications for voluntary redundancy than necessary, and the Company is willing in principle to accept more applications than necessary, a selection process will be initiated to effectively manage applications.

#### **3.1.4 Other Mitigation Opportunities**

Full consideration will be given to any suggestions made by employees or their representatives during consultation. Where appropriate, and subject to operational requirements, the Company may also consider other options.

### **3.2 Consultation**

The Company will consult with all employees who are potentially affected by the redundancy situation, and not just those who are at direct risk of redundancy. Where it is not possible to hold a face-to-face meeting, the Company will conduct the consultation process remotely.

Where the Company proposes to dismiss as redundant 20 or more employees at one establishment within a period of 90 days or less, the Company will consult with recognised trade union representatives or, where there is no trade union, elected employee representatives on the proposed selection criteria and how those criteria will be scored, in addition to other matters relating to the redundancy proposal. This is known as collective consultation.

Collective consultation will begin at least:

- 45 days before the first of the dismissals takes effect, if the Company is proposing to dismiss at least 100 employees at one establishment within a period of 90 days or less; and
- 30 days before the first of the dismissals takes effect, if the Company is proposing to dismiss between 20 and 99 employees at any one establishment within a period of 90 days or less.

If there is no recognised trade union and no suitable existing employee representatives, the Company will initiate a process to elect employee representatives.

In any collective consultation exercise, the Company will offer to consult individually with each employee that is affected by the redundancy proposal in respect of their own circumstances.

The timescales required to ensure meaningful individual consultation will be determined by the Company, largely dependent on the scope and complexity of the potential redundancy situation.

The Company will consult openly and transparently with employees and, where appropriate, employee representatives and recognised trade unions about its proposals. The Company will issue as early as possible a statement which will include the following information:

- the reason, numbers and categories of employees affected by the proposed redundancies; and
- whether or not it is a collective redundancy situation and proposed method of selection; and
- the proposed method and period for carrying out any compulsory redundancies; and
- how the Company proposes to communicate with affected employees; and
- possible alternative measures to minimise or avoid a redundancy situation; and
- the appeal process should redundancy be confirmed.

### **3.3 Opportunity to be Accompanied**

Employees will be invited, in writing, to attend individual consultation meetings and any subsequent appeal meeting with a manager and P&O.

The employee will be offered the opportunity to be accompanied at these meetings by a companion who is either a work colleague, a trade union representative or an official employed

by a trade union. A trade union representative who is not an employed official must have been certified by their union as being qualified to act as a companion at meetings under a redundancy procedure. The employee should notify the Company of the name of their chosen companion where possible and whether they are a fellow employee or trade union official or representative, in good time before the meeting.

If an employee's choice of companion may have a potential conflict of interest or may prejudice any meeting in the Company's view, this will be explained, and the employee may be asked to choose someone else to accompany them.

A companion may explain and sum up the employee's case, respond on behalf of the employee to any views expressed at the meeting and confer with the employee during the meeting. A companion may not answer questions on behalf of the employee, address the meeting if the employee does not wish the companion to do so or prevent the manager from explaining the Company's case.

If the employee or companion cannot attend on the date that has been set for the meeting, the employee should propose an alternative date for the meeting. The alternative date must be reasonable and fall within seven calendar days (or longer if both the Company and the employee agree) of the originally proposed date.

The Company may ask an employee to choose a different companion if they are not available within seven calendar days (or such time as agreed by the Company) of the originally proposed date.

If the companion fails to attend the meeting without reasonable explanation, then the Company will not be under any obligation to rearrange the meeting and any rearrangement will therefore be at the Company's discretion.

An individual who agrees to accompany an employee will be entitled to a reasonable amount of time within normal working hours to fulfil that responsibility.

### **3.4 Redundancy Selection**

The Company will identify which and how many roles are potentially redundant. The Company may need to create a pool of employees from which those who are to be made redundant will be selected. The selection pool will normally consist of employees who carry out the same, or similar, work and perform jobs that are interchangeable. However, a selection pool will not be necessary for example where redundancies are expected to involve just one specific role. The decision on who to include in the pool will be based on genuine business reasons.

The Company will then carry out a scoring exercise for employees in the redundancy pool. Employees with the lowest scores will be provisionally selected for redundancy. The Company will ensure that the selection criteria used to select employees are reasonably objective, measurable, capable of being applied fairly and reflect the requirements of the job that will need to be performed after the redundancy exercise has been completed. The selection criteria will contain a method of selection in the event of tied scores, which could, for example, be determined by length of continuous service with the Company.

The Company will consult with affected employees, either individually or through collective consultation, about the selection pool, the selection criteria that will be used and how those criteria will be scored. Unless otherwise agreed with a recognised trade union, once the selection exercise has been completed, the Company will provide employees who have been

provisionally selected with a copy of their selection assessment(s) and will consult with them on their scores. Those who have not been provisionally selected will be advised of this.

### **3.5 Notice of Redundancy**

If an employee's selection for redundancy is confirmed, the employee will be given written notice of the termination of their employment in accordance with the notice period set out in their contract of employment or the statutory minimum notice period, whichever is greater.

Depending on the circumstances, the Company may make a payment in lieu of notice instead of requiring the employee to work their notice period.

#### **3.5.1 Notice Extension/Withdrawal**

The Company may, by mutual agreement, extend or withdraw an employee's notice of termination.

Notice of termination may be withdrawn when suitable alternative employment is identified and accepted by the employee.

Notice of termination may be extended when a short-term temporary role (lasting less than 12 weeks) is identified and accepted by the employee. If the role subsequently extends beyond 12 weeks, the Company may, with the employee's consent, withdraw the employee's notice of termination subject to operational requirements and the Company's ability to provide work longer term.

### **3.6 Redundancy Payment**

Employees are entitled to receive a statutory redundancy payment if they have worked for the Company 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. Employees will receive a written statement explaining how their redundancy pay has been calculated.

Entirely on a discretionary basis, the Company may offer an enhanced redundancy payment in line with delegation of authority limits. This payment will include any entitlement to statutory redundancy pay.

### **3.7 Appeal**

An employee who wishes to appeal against the decision to be dismissed for reason of redundancy may submit a formal appeal.

The employee should appeal in writing to the relevant person named in the notice of redundancy letter within seven calendar days of receipt of the letter or, if working conditions prevent this, as soon as is practicable.

The appeal letter should clearly state the grounds for the appeal and any specific points the employee wishes to be considered.

The Company will invite the employee, in writing, to attend an appeal meeting with an appropriately nominated manager and P&O. The Company will seek to hold the meeting within seven calendar days of receipt of the employee's formal appeal. Where practicable, the employee will be given at least three working days' notice of the meeting to enable them to

make appropriate arrangements and prepare for the meeting. The employee will be offered the opportunity to be accompanied at an appeal meeting (see section 3.3).

The appeal meeting will be conducted a manager who will not previously have been involved in the process and where reasonably practicable will normally be of a higher authority than the manager who made the decision. The manager will consider the grounds for appeal and review the conclusion reached.

If the employee is unable to attend the appeal meeting because of circumstances beyond their control, they should inform the manager conducting the meeting as soon as possible. If the employee fails to attend without good reason, or if it appears that they have not made sufficient attempts to attend, the meeting may take place in their absence, based on their written appeal and any other supporting documentation available.

Following the appeal meeting, the relevant manager will inform the employee of the outcome verbally and in writing. The letter will, where practicable, be sent within ten calendar days of the appeal meeting taking place and a copy of the notes from the appeal meeting will be enclosed. The outcome of the appeal is final.

### **3.8 Alternative Employment**

If an employee is selected for redundancy, the Company will continue to explore suitable alternative employment that may arise within the Company up to their termination date. Employees who are selected for redundancy should actively search for alternative employment with the Company.

If a suitable alternative role arises during an employee's notice period, the employee will be informed and provided with details relating to the application process.

If an employee unreasonably refuses suitable alternative employment, they will lose their right to statutory redundancy pay.

Acceptance of an alternative role will be subject to the terms and conditions associated with the role. Written details of the terms and conditions of employment associated with the role will be provided in the event of an offer being made.

An offer of alternative employment will be subject to a four-week trial period, commencing on the date on which the employee starts work under the new contract. This can be extended, by agreement, if the employee needs to be retrained. During this time, the employee can assess whether the position is suitable and similarly management can assess the employee's suitability for the position. After the trial period, upon acceptance by both parties, the job will be classified as suitable alternative employment. Where applicable, any notice period will run concurrently with the trial period. The Company will extend the employee's notice period to coincide with the agreed trial period if that should run to a later date. During the trial period, the employee will be paid in accordance with the new position's terms and conditions.

If the trial period is unsuccessful, the position reverts to that of redundancy unless there is no other alternative role to offer, and the employee will be regarded as having been dismissed, for statutory redundancy purposes, on the date when their employment under their original contract ended. The employee will receive payment of any outstanding notice pay, which will be paid in accordance with their original contract of employment. There may be a requirement

for the employee to work the remainder of their notice period. The Company will write to the employee to confirm the termination of their employment on the grounds of redundancy.

If an employee is at risk of redundancy during maternity leave, adoption leave or shared parental leave, the Company will offer them suitable alternative work, where it exists. If there is more than one employee on maternity, adoption, or shared parental leave for whom a vacancy would be suitable, each of those employees has an equal entitlement to be offered the vacancy, and the Company will use a fair selection process to decide to which employee it will offer the vacancy.

### 3.9 Additional Support

The Company is committed to supporting employees affected by proposed redundancies. The Company believes the wellbeing of its employees is important and as such all employees have access to an Employee Assistance Programme. Details on how to access this will be provided by managers, employee representatives or P&O.

The Resourcing team and/or P&O will be available to support employees on the application process for internal roles should this be required.

Where possible, P&O will provide additional support for any employee selected for redundancy, subject to availability of P&O resource and individual employee circumstances at the time. Examples of additional support may include advice on CV preparation and interview skills.

### 3.10 Time off for Training or to Look for Employment

The Company recognises and understands the financial and emotional strains that come with redundancy. If an employee is under notice of redundancy, the Company will give them a reasonable amount of paid time off work to look for alternative employment or arrange training for future employment. Any requests for time off work should be made to the employee's manager.

If an employee's work location is site based or offshore based, any time off allowed to arrange training or look for alternative work must consider any difficulties associated with the logistics of working offshore or from a remote site. The Company reserves the right in such circumstances to reasonably reject an application for time off work to seek alternative employment where this may impact adversely on safe operations.

## 4 Definitions

The following terms are used within this document.

Term	Definition
Establishment	Depending on the circumstances, the establishment is the unit to which the workers made redundant are assigned to carry out their duties.
Suitable alternative employment	In this context, generally means work that would be appropriate for the employee to do and on terms and conditions not substantially less favourable than those under their current contract.

<b>Term</b>	<b>Definition</b>
The Company	References to the 'Company' in this Policy are references to the employee's current employer.
The Policy	References to the 'Policy' are references to the UK Redundancy Policy.

## 5 Revision History

<b>Rev no.</b>	<b>Rev date</b>	<b>Summary of changes</b>
0	23-Apr-2019	Issued for UK Harmonisation and will supersede UK Redundancy Policy HRM-PLS-1046 and UK Redundancy Procedure HRM-PRO-100021.
1	19-Oct-2020	Updated section 3.3.1 with additional clarification.
2	6-Jan-2023	<p>Terminology and style updated to be consistent with other policy documents.</p> <p>Section 3.3 amended to reflect that the Company allows employees the opportunity to be accompanied at individual consultation meetings and any appeal meeting, although there is no statutory right to be accompanied.</p> <p>Section 3.6 updated to include that employees will receive a written statement explaining how their redundancy pay has been calculated.</p> <p>Section 3.8 updated to clarify the position on alternative employment for those on maternity leave, adoption leave or shared parental leave.</p>