



LEA GREEN REGIONAL DISTRIBUTION CENTRE TEAM MEMBER AGREEMENT

CONTENTS

PART A SITE CULTURE

PART B UNION RECOGNITION

PART C TERMS AND CONDITIONS OF EMPLOYMENT

1. Hours Worked
2. Overtime
3. Additional Hours
4. Weekend Working
5. Meal Breaks
6. Unsocial Hours
7. Freezer Work
8. Timekeeping
9. Method of Payments
10. Deductions from Pay
11. Probationary Periods
12. Medicals
13. Part Time Team Members
14. Temporary Labour
15. Other Employment
16. Training and Development
17. Protective Clothing
18. Public Holidays
19. Annual holidays
20. Sickness Benefit
21. Pension
22. First Aiders
23. Equal Opportunities
24. Paternity
25. Parental Leave
26. Maternity
27. Compassionate Leave
28. Smoking
29. Grievance & disputes
30. Coaching for improvement
31. Coaching for Success
32. Accidents
33. Drugs & Alcohol
34. Redundancy
35. Suspension of Normal Working Week
36. Security

PART D REVIEW OF TERMS AND CONDITIONS

PART A

SITE CULTURE

Wincanton and Somerfield are committed to a culture based on an environment where people can develop their skills and input into the business. This is a culture based on team working principles and is a dominant feature of employment with Wincanton working in partnership with Somerfield.

The team environment is demanding. You will receive full training in all jobs you are asked to do and you will need to be very flexible. In return you will be given trust, support, a constant flow of information and career development opportunities.

The culture is based on all Team members having a part to play in the success of the Company. Each team member has to be open to new ideas and challenges every day. Team members are encouraged to listen, learn and understand not only your own but other team members' jobs.

Our mission is to provide an excellent service to our Stores through our people.

We will accomplish this by working to our values:

Our Customer

- We will always strive to deliver our Customers' needs.
- We will have an open, honest and proactive relationship with our customers.

Our People

- We will know what is expected of us and we will be valued as individuals and as part of the team.
- We will all be recognised for the contribution we make and opportunities will be available for our development.
- We will support each other in the elimination of unacceptable behaviour.

Our Performance

- We will commit ourselves to day-to-day excellence and strive to do things properly first time.
- We will be resilient and flexible in order to respond to our performance.

Our Community

- We will work together with and be part of the local community.
- We will be conscious of our impact on the environment.

Wincanton believes that people are the key factor in determining the extent to which the Lea Green RDC is successful. It is recognised that a committed, loyal team is essential and as such, in determining the terms and conditions of employment, has sought to provide a total employment package.

PART B

UNION RECOGNITION AND MEMBERSHIP

The Company recognises USDAW as the Union to represent team members employed by Wincanton Limited on the Somerfield Contract at Lea Green.

The Company will actively encourage team members to become, and remain, members of the Union.

Throughout this Agreement the terms “the Company” refers to Wincanton Limited at Lea Green in respect of this customer contract. It is freely accepted by both parties that this Agreement shall have relevance only to the team members defined above. None of the Terms and Conditions specified in this document or supplementary thereto shall necessarily have relevance to any other Distribution Centre operated by Wincanton Limited and no claim will be pursued with or accepted by any other Distribution Centre operator purely on the basis of its existence at this depot. Neither shall any claim be pursued or accepted purely on the basis of its existence in any other Wincanton operation.

The Company and the Union jointly recognise the Company’s responsibility to plan, organise and manage the distribution operations in order to achieve and maintain maximum efficiency and customer service in distribution operations.

Both parties recognise the necessity of flexible working hours. Flexibility of starting times and flexibility in the length of the working day and week will therefore be required from all team members.

▪ **Objectives**

The objectives of this agreement are:

- To establish procedures by which matters affecting the relationship between the Company, team members and the Union can be effectively dealt with.
- To have a common objective in ensuring that efficiency and prosperity is achieved for the benefit of all concerned.

To achieve these objectives the Company and Union agree that there is a need:

- To establish a commitment to quality, productivity and efficiency.
- To have flexibility in the workplace.
- To avoid any action that breaks the continuity of customer service.
- To obtain the active participation of all team members through two-way communication.

▪ **Representatives**

The Company recognises the right of team members who are part of the Union to elect representatives from amongst their own members.

(The number of representatives is dependent upon the requirement to provide shift cover throughout the operation and must be agreed by management). The Union Area Organiser will notify the Company in writing of the name(s) of the elected representative(s) immediately following an election and in any case within two weeks. The Company reserves the right not to recognise any individual and will discuss these reasons with the Shop Steward Committee. The Company will not unreasonably refuse to recognise any individual.

Facilities will be given to the elected representatives to enable them to exercise their duties including paid time off to conduct Employee Relations duties and attend associated training courses (provided that reasonable notice has been given and agreement reached with management).

Union representatives and team members in the scope of this Agreement will always conduct their activities on behalf of the team members in such a manner as not to interfere with, interrupt nor hinder the normal management of the Distribution Centre. If their duties take them outside their own departments, they should seek the prior permission of their manager; such permission will not be unreasonably withheld.

▪ **Negotiation**

The spirit of this Agreement is that the Company and the Union will work together at site level in furtherance of the Company's interests and those of team members.

It is recognised that for negotiation purposes formal relationships between the Company and Union are necessary. Joint consultations involving representatives of the Company and Union will be concerned with any significant changes to the main terms and conditions of employment affecting team members within scope of this agreement.

Both parties agree that the majority of matters can and will be dealt with at the Distribution Centre.

Any failures to reach agreement during joint consultations and negotiations will be dealt with under the Grievance Procedure.

▪ **Communications Forum**

There will be established at the site a Communications Forum (hereinafter called "The Forum") to provide a means by which Managers and team member representatives can discuss matters of mutual interest and a forum for consultation on issues directly affecting team members' interests. This Forum shall have relevance only to the Lea Green Distribution Centre and shall not be used for matters of individual grievance or disciplinary matters, which shall be pursued through the procedures detailed. The Forum will incorporate the previous Joint Consultative Committee.

▪ **Trade Union Subscriptions**

Facilities will be given for the collection of Trade Union subscriptions through the payroll.

▪ **Termination of the Agreement**

This Agreement between Wincanton and USDAW may be terminated following the presentation in writing of three calendar months' notice given by one party to the other.

Signatures

On Behalf of Wincanton Limited

On behalf of USDAW

PART C

TERMS AND CONDITIONS OF EMPLOYMENT

C O N T E N T S

1. Hours Worked
2. Overtime
3. Additional Hours
4. Weekend Working
5. Meal Breaks
6. Unsocial Hours
7. Freezer Work
8. Timekeeping
9. Method of Payments
10. Deductions from Pay
11. Probationary Periods
12. Medicals
13. Part Time Team Members
14. Temporary Labour
15. Other Employment
16. Training and Development
17. Protective Clothing
18. Public Holidays
19. Annual holidays
20. Sickness Benefit
21. Pension
22. First Aiders
23. Equal Opportunities
24. Paternity
25. Parental Leave
26. Maternity
27. Compassionate Leave
28. Smoking
29. Grievance & disputes
30. Coaching for improvement
31. Coaching for Success
32. Accidents
33. Drugs & Alcohol
34. Redundancy
35. Suspension Of normal working week
36. Security

1. **HOURS WORKED**

The working week for team members on which the basic rate of pay is based shall be 40 hours. The working day is defined as one which runs from midnight one day to midnight the following day. Details of payments, including weekend premiums, can be found in Appendix 1.

The working week operates from Sunday to Saturday and will consist of any 5 x 8, 4 x 10 hour shifts from 7 days, with the first shift starting at any time between 12.00 midnight one day and 12.00 midnight the following day. The normal daily hours of a team member will be variable by agreement.

It is possible (due to a change in shift) for two shifts of a working week to start within the same working day.

Our customer's requirements necessitate a delivery service covering seven day working. Team members will work a rota system of any four or five shifts (dependant on hours worked) out of seven days, including Public Holidays. We will endeavour to ensure an even weekly work pattern for all team members. It should be noted however that these shifts, due to operational requirements, may not necessarily run consecutively.

Team members will be required to work in all parts of the depot on any shift within the 24-hour working day. Starting times are in line with operational requirements. As much notice as possible will be given to team members of shift changes and starting time changes. For a temporary change one week's written notice would be given and for a permanent change two weeks' written notice would be given. In exceptional circumstances these timescales may be reduced.

2. **OVERTIME**

Given that the customer's volumes will fluctuate which is endemic to the retail industry, it will be expected, and is a condition of employment, that team members support this by working overtime hours. We will give as much notice as possible of overtime requirements.

Payment at overtime rates will only be made after the completion of the normal working week. Annual holidays, Bank Holidays, lieu days and paid authorised absence will count towards completion of the normal working week. Unauthorised absence, e.g. sickness, does not count towards the completion of the normal working week.

Employment will be covered by the Working Time Regulations 1998, which restrict certain categories of team members to working no more than an AVERAGE of 48 hours per week, including overtime, over a reference period to be agreed.

Currently team members have the legal right to waive this limit in their working time, therefore retaining the freedom to work more overtime if they so wish. The opportunity to waive this limit on working time will be offered to team members using a Wincanton opt-out agreement.

3. **ADDITIONAL HOURS**

As well as normal weekly voluntary overtime and as part of our flexible approach to customer service, team members will commit to working up to 80 Additional Hours during the year. These hours may be worked in units of 4 or 8 hours in line with business requirements. These Additional Hours may be called on at any time during the year, including seasonal peak activity. In the first instance volunteers will be sought and thereafter priority will be given to those individuals who have rarely done overtime during the year.

The Additional Hours will be rostered on a four week basis and will be available three weeks prior to the working period, i.e. rosters for working Weeks 5 to 8 will be published by the end of Week 1. Inability to work the given roster, e.g. through holiday commitments etc, should be communicated to the relevant team manager in Week 2 to allow roster changes.

If for any reason the Additional Hours are not needed then the following will apply:-

If the hours are cancelled, by the Company up to one week before the roster is to commence, e.g. additional hours for Week 5 are cancelled in Week 4, then the hours remain deducted from the 80 additional hours and there will be no payment.

If the hours are not required in the current roster Week, e.g. additional hours for Week 5 are recognised by the Company as not being needed in Week 5, the team member will have the option of working those hours and being paid, or not working and not being paid. In both cases the hours remain deducted from the 80 additional hours.

If the hours are not required on the current day, e.g. additional hours rostered for a Tuesday are recognised as not being needed by the Company on the Tuesday, and should no alternative duties be found for the team member, then the hours scheduled for that day will be paid for with no requirement to work them. The hours will not be deducted from the 80 additional hours.

In the event that a Team Member has worked part of their rostered shift for additional hours and there is a situation of over-manning (as determined by a senior manager) where no alternative duties are available, those employees rostered for additional hours will have first option to request to use a holiday for the remainder of the shift. The team member will be paid at holiday rate for the hours unworked and those hours used as holiday will not be deducted from the 80 additional hours. The Company where possible will not issue short notice holidays on shifts where additional hours are worked until the persons working additional hours have been approached.

If a team member fails to attend on any rostered Additional Hour shifts, then the normal absence procedure will apply. The hours not worked will not be deducted from the 80 Additional Hours.

The Additional Hours will be paid at normal overtime rates as detailed in Appendix 1. Team members may not be required to work all of their commitment to Additional Hours.

The number of Additional Hours will be on a pro rata basis for part time team members.

4. WEEKEND WORKING

Where Saturday or Sunday form part of the normal working week all hours or part hours falling in to this period shall be paid at basic plus fixed premium. Details can be found in Appendix 1. If weekend hours fall within unsocial bands, the unsocial premium will apply in addition to the weekend premium as detailed in Appendix 1.

Premiums are not consolidated for overtime purposes.

These premiums will only be paid where all rostered shifts within the week have been worked. The only exception to this policy is paid holidays, i.e. annual holidays, Bank Holidays, lieu days and authorised paid absence.

5. MEAL BREAKS

Team members who work four hours or more will receive a paid meal break of thirty minutes duration. The timing of the meal break will be determined by management taking account of operational demands, start times, etc.

If a team member's shift is extended for any reason no team member will work in excess of four hours without an extra paid break of at least 10 minutes.

Team members will not be allowed to leave site during their meal break or at any other time during the working day, without prior permission of a team manager.

6. UNSOCIAL HOURS

Unsocial hours premiums will apply to all hours worked between 1800hrs and 0600hrs daily.

Premiums for unsocial hours will be applied as follows:

- a) £1.28 per hour For hours worked between 1800hrs and 2200hrs.
- b) £1.93 per hour For hours worked between 2200hrs and 0600hrs.
- c) No unsocial premium is applied to the hours worked between 0600hrs and 1800hrs

Payments shall be made to the nearest quarter of an hour.

Premium payments are not compounded for the purposes of calculating overtime beyond normal shift periods.

Premiums will only be applied to basic hours worked and not for overtime hours (i.e. the first 40 hours worked each week).

7. FREEZER WORK

In addition to paid meal breaks team members working in the freezer store will receive 10 minutes paid warm up time for each hour worked. The timings of such breaks may vary.

8. TIMEKEEPING

Time lost through lateness at start of shift or upon resumption after meal break will result in deductions of 15 minutes for over 3 minutes late and 30 minutes for over 18 minutes late. Failure to report to workplace at designated time may be deemed as late and as such may result in disciplinary proceedings.

9. METHOD OF PAYMENTS

Method of payment will be weekly by Bank Credit Transfer for all team members covered by these Terms and Conditions.

10. DEDUCTIONS FROM PAY

In line with current legislation the Company is hereby authorised to make deductions from pay, over a suitable period of time, to recover any overpayments made to a team member, or to recoup any outstanding debts or loans or other sums at any time, having first discussed the matter with the employee and confirmed it in writing.

11. PROBATIONARY PERIOD

All new team members will be subject to a 13 week probationary period. From 1 January 2006 payments for the first six (6) weeks of employment can be found in Appendix one. If during that time performance, references and medical reports are all satisfactory permanent employment will be confirmed. If performance, references or medical reports are not acceptable employment may be terminated following a review with the employee. This will be conducted in line with statutory disciplinary procedures. The individual will have the right of one appeal to the appropriate management level.

The company reserves the right to extend an employee's probationary period up to a maximum of a further 13 weeks, reviewed every four weeks.

12. MEDICALS

All team members may be required to attend medical or eyesight examinations. Team members may be required to attend these examinations as new starters or when considered necessary by the Company to determine fitness to carry out duties.

13. PART-TIME TEAM MEMBERS

We may engage team members on a part-time basis. Such team members will not qualify for overtime payments for hours worked below the normal full time working week for their particular shift.

Part-time team members will be paid shift allowances where applicable.

Part-time team members will not be entitled to the main meal break unless working in excess of four hours per day.

14. TEMPORARY TEAM MEMBERS

Temporary team members will be used to deal with trading peaks and absenteeism and will be paid as per the Terms and Conditions of other team members.

In line with the Working Time Directive team members on a temporary contract (being continuously employed without a break in service as defined in employment legislation) will accrue holidays (in the current holiday year) as per permanent team members but pro rata'd to the number of days worked.

Team members will also be paid for Bank Holidays if they fall within the period of service and, if rostered in, is available for work on the working days immediately preceding and following the Bank Holiday.

The Company has designated a Stakeholder Pension Scheme with Standard Life. Temporary team members are eligible to join the Stakeholder Pension Scheme but not eligible to join the Wincanton plc Pension Scheme.

Joining the Stakeholder pension will give you the opportunity to take advantage of many benefits. Details of the Scheme and a request for an application pack are available from your Human Resources Manager. You will be eligible to join the Stakeholder Pension 13 weeks after your date of commencement.

15. OTHER EMPLOYMENT

During employment with the Company, team members shall not, without the consent of the Company, undertake other employment or enter the services of, or be employed by, any other person or Company. This consent will not be unreasonably withheld.

16. TRAINING AND DEVELOPMENT

Wincanton is committed to provide all team members with training opportunities to learn new skills. Learning is an ongoing process and a fundamental part of your working life at Wincanton, working in partnership with Somerfield.

Training is targeted to meet your needs in the context of the operational requirements of the business and is aimed to develop all your abilities throughout your career.

Team members will be encouraged to use any systems equipment and methods, including computer related software/hardware, as may be introduced to further the performance of the site and the development of the team member. Appropriate training will be provided before team members are required to use new equipment.

Team members will be encouraged to develop themselves and support flexibility by carrying out any function at the site that they have been trained to cover when requested. Any requirements to change Terms and Conditions in order to meet variations in business/operational requirements will be done through the process of consultation.

17. PROTECTIVE WORKWEAR

Details of the uniform and protective clothing policy can be found in the site Handbook. However, team members will be responsible for the presentation of their uniform and once issued must wear their protective clothing.

18. PUBLIC HOLIDAYS

Public holidays shall consist solely of Christmas Day, New Years Day and Easter Monday. Payment for public holidays worked or not worked are detailed in Appendix 1. The Company recognises these named holidays and not the days the Government may wish to substitute as bank holidays. For example, if Christmas Day falls on a Saturday it remains on a Saturday and does not move to a Monday.

Payment shall only be made if the team member has, where rostered on, worked their contracted hours during the last working day on which work was available for employment immediately prior to the holiday and is available for employment on the first working day on which work is available, where the team member is rostered on, following the holiday. A medical certificate from a doctor must be obtained in respect of sickness on a penalty day.

Where rest days fall on a public holiday, a day in lieu will be given. A lieu day (paid at basic rate) will be earned for all full shifts attended, which must be taken at a time mutually agreed with managers within the holiday year. Such lieu days not taken within the holiday year, unless an extension has been agreed with your team managers, will be forfeited.

A day in lieu will only be granted where a team member works a full or half shift on the designated bank holiday. Team members may opt for a lieu day to be paid and not taken.

Any overtime worked on a public holiday will be paid at normal overtime rates.

Part timer team members will be subject to principles in relation to public holidays on a pro rata basis.

19. **ANNUAL HOLIDAYS**

For colleagues employed prior to March 2010

| | |
|---------------------|--------------------------|
| 0 – 1 years service | 27 days holiday per year |
| > 1 years service | 30 days holiday per year |
| > 4 years service | 31 days holiday per year |
| > 5 years service | 33 days holiday per year |

For colleagues employed after March 2010

| | |
|---------------------|--------------------------|
| 0 – 1 years service | 25 days holiday per year |
| > 1 years service | 28 days holiday per year |
| > 4 years service | 31 days holiday per year |
| > 5 years service | 33 days holiday per year |

This total number of days allocated recognises that Public Holidays at the site will consist of Christmas Day, New Years Day and Easter Monday only. Payment for working on previous five Public Holidays is detailed in Appendix 1.

The holiday year runs from 1 April to 31 March. Team members who commence employment will have a pro rata holiday entitlement from their date of commencement to 31st March.

Team members will accrue holiday from the date of commencement, but cannot take more holidays than they have accrued during their probationary period.

Any holidays taken in excess of holiday entitlement due at date of leaving will be deducted from final wages. Alternatively, any holidays owing at date of leaving will be paid as part of final payments.

Team members are requested to notify their Team Manager of their summer holiday requirements as soon as possible. If this notification is not forthcoming, holiday weeks may be assigned by the Team Manager on the basis of weeks that are still available. At least one week's notice of other holidays must be given to the Team Manager.

Holidays may be taken as follows and cannot be varied without the agreement of the Team Manager.

-
- (i) Dependant upon operational requirements holidays will not be allowed in December and two weeks prior to or after any peak operational period, e.g. public holidays.
 - (ii) If a team member requires more than two weeks holiday or two weeks between 01 June and August 31 they must obtain permission from a team manager.
 - (iii) The Company reserves the right to nominate up to three holiday days per year.
 - (iv) To ensure the smooth running of the site and departments the number of team members allowed on holiday at any one time within a department may be restricted and will be subject to approval. All holiday is on a first come first served basis.

20. **SICKNESS BENEFIT SCHEME**

The Scheme will operate on a 'rolling year' principle. Benefit will be determined by the last 12 months' record of each team member. If all benefit has been used, an employee must return to work before they can be eligible for any future benefits.

Benefits under the Scheme are as follows:

| | | |
|--------------------------------------|---|-----------------------------------|
| Less than 26 weeks service | - | Nil |
| Between 26 weeks and 1 years service | - | 5 days |
| Between 1 and 2 years service | - | 15 days |
| Between 2 and 3 years service | - | 20 days |
| Between 3 and 5 years service | - | 25 days |
| Over 5 years service | - | 60 days plus 60 days at half rate |

Where a team member works a fixed shift of less than five days, sick pay is paid on a pro rata basis according to number of days worked.

- Company sick pay is paid at basic rate.
- No Company sick pay is paid for the first three qualifying days of each occasion of absence.
- The weekly rate of Statutory Sick Pay is decided by the Government and dependent upon the team member's average weekly earnings.
- Team members will be covered by the Statutory Sick Pay Scheme if sick for four or more days in a row. Statutory Sick Pay will be 'offset' against any Company benefits paid for the same period.
- Should any team member's occupational sick pay become exhausted, then any further payment will need to be sanctioned by the General Manager.
- Company sickness benefits will not normally be paid where the team member is injured in sporting activities or by self inflicted injury or illness caused by alcohol or drugs.
- To qualify for benefit under occupational sickness benefit and/or statutory sick pay team members must adhere to the rules on notification and certification of absence.

Notification and Certification Procedure

- A team member who is unable to attend work must contact their immediate manager or the sickness line at least one hour before the start of their shift or as soon as is reasonably possible in order to qualify for Sickness Benefit.
- Details regarding the reason for and anticipated length of absence should be given. If the absence is due to sickness team members should also notify the day on which they became ill (e.g. cannot attend work on Monday but actually became ill on Sunday).
- If unable to contact the Company themselves, then someone else may be instructed to contact the Company on their behalf (again this must be on the first day of absence).

If your team manager is not available a message must be left using the dedicated number provided.

- Team members must contact their Team Manager or ring the sickness line the day prior to returning to work and complete and send to payroll a Self-Certification Form which is available from their GP on the first day back at work or at the latest on the seventh day of absence
- If the absence lasts, or is expected to last, longer than a week a Medical Certificate must be obtained to cover the absence.
- The Medical Certificate may be effective from the first day of absence or, where the first week has been self certified, the beginning of the second week of absence. This must be received by Payroll by the eighth day of absence and each expiry date thereafter
- Where the team member has been absent from work for longer than one week (especially where absence has been due to a contagious disease) then a final Doctor's statement specifying that the team member be fit to resume work must be obtained.
- Team members should regularly contact their Team Manager during extended absence from work (e.g. telephone each week) and try to give information as to the anticipated length of absence, etc.
- In some cases of persistent absence through sickness, a team member may be medically examined to assist in resolving the issue. A Manager may also visit an absent team member at home, after prior arrangement.
- Where an accident occurs at work, provided a full report is made at the time and a self-certification or medical certificate is produced, a team member will be considered for sickness benefit. Payment of sickness benefit is in no way an admission of liability by the Company.

If a team member is absent as a result of an accident involving a third party who may be liable for damages, payments under the Company Sick Pay scheme will be regarded as a loan, and should be repaid as follows:

- (i) in full when a successful claim for damages exceeds the loan after payment of appropriate costs
- (ii) by repayments of the total amount awarded where damages are less than the loan after the payment of appropriate costs.

THE COMPANY SICKNESS BENEFIT SCHEME IS DESIGNED TO HELP IN CASES OF GENUINE SICKNESS AND, IN PARTICULAR, WHERE LONG TERM ABSENCES OCCUR.

COMPANY SICKNESS BENEFIT IS DISCRETIONARY AND CANNOT BE CLAIMED AS OF RIGHT. MANAGEMENT MAY SUSPEND PAYMENT IF THEY FEEL THERE IS REASONABLE EVIDENCE OF ABUSE.

In order to ensure a fair and consistent approach is maintained the Company will use the internal absence management system to monitor and manage all absence.

In line with the internal absence management system, team members will be interviewed by their Team Manager upon certain thresholds of absence being reached. Continued absence may result in a formal counselling interview or disciplinary action.

Further details can be found in the site handbook.

21. **PENSION**

Wincanton plc operate a Money Purchase Plan, the Wincanton Pension Builder Plan, for pension provision. Employees are eligible to join the money purchase plan immediately on joining the Company or on reaching age 18 if this is later.

There is a three month 'entry window' (starting on the day of joining/reaching the age of 18) for an employee to complete and return an application form to join the Money Purchase Plan. After this three month period, membership is not automatically allowed and will be subject to the agreement of the Company and the Scheme's Trustees.

Further details of the scheme are available from your Personnel Department. Scheme membership is subject to its rules (as amended from time to time), a current copy of which can be obtained from the Wincanton Pensions Department.

Employees who are currently members of the Wincanton final salary scheme (or who are eligible for membership of the scheme in the period up to 6 April 2003) will be entitled to retain their membership (subject to the Scheme rules, as amended from time to time) in accordance with the choice they take in response to the Company's letter dated 8 January 2003.

The Company has also designated a Stakeholder Pension Scheme with Standard Life, the details of which are available on request.

22. FIRST AIDERS

Any person who the Company recognises as a qualified first aider and who carries out the duties prescribed will receive a fixed payment as detailed in Appendix 1.

23. EQUAL OPPORTUNITIES

It is the aim of the parties of this Agreement to promote equal opportunities in employment, regardless of an individual's sex, marital status, creed, colour, race, ethnic origin, age or disability.

The principle will apply in Terms and Conditions of Employment, recruitment procedures, training, promotion and redundancy situations.

If a team member considers that he/she is receiving unequal treatment on the grounds of sex, marital status, creed, colour, race, ethnic origin, age or disability, he/she should raise the matter through the grievance procedure.

24. PATERNITY LEAVE

Team members are entitled to up to 10 days/80 hours paternity leave irrespective of shift pattern. Paternity leave will be paid at basic rate and on a pro rata basis for part time team members. Team members wishing to take paternity leave must notify their manager of the expected date of confinement at the earliest possible date. Documentary evidence of the birth must be provided if requested by a manager.

25. PARENTAL LEAVE

The Employment Rights Act 1999 provides an entitlement (subject to fulfilment of certain conditions - details of which can be obtained from the HR Manager) to a maximum of four weeks unpaid parental leave in a year for responsibility for a child (up to an age as defined by the Act). Such entitlement applies to any employee who, at the date they wish to take such parental leave (which can include the period of paid paternity leave) has been continuously employed for one year or more by the Company and who has responsibility for the child concerned (responsibility as defined by the Children's Act 1989) being one born or adopted on or after 15th December 1999.

The Company may request evidence to confirm that the employee is the parent or is legally responsible for the child. In certain circumstances the Company may postpone such leave until a later date and may challenge entitlement if conditions required to be fulfilled are not fulfilled.

26. MATERNITY PROVISIONS

Team members are entitled to maternity rights as set down by Statute. Team Members will be paid two weeks at basic rate, four weeks at 90% of average weekly earnings and 20 weeks at SMP rates. The Company will comply with all statutory requirements. Further information will be provided, on request, from the site Human Resources Manager, or alternatively a leaflet can be obtained from the Department Social Security and the Department of Employment explaining your statutory rights to Maternity Leave and Maternity Pay.

27. COMPASSIONATE LEAVE

In cases of bereavement involving family a team member, who requests compassionate leave may be granted up to five days/40 hours for immediate close family and up to three days/24 hours for less than immediate family. All compassionate leave is at the discretion of the team manager and Human Resources Manager. Each case will be considered separately depending on the relationship. Compassionate leave will be paid at contractual rates of pay.

28. SMOKING POLICY

The distribution centre operates a No Smoking Policy in all areas except a specifically designated smoking zone. Disciplinary action will apply to any team member found to be in breach of this policy and smoking in any area except the specifically designated smoking zone. The carrying of smoking materials within warehouse areas is also not permitted.

29. **GRIEVANCE AND DISPUTES PROCEDURE**

Pending settlement of any dispute, the same rate of wages/salary or hours worked or conditions of employment that existed prior to the dispute shall apply. Furthermore, until all stages of the procedure have been exhausted there shall be no stoppage of work, partial or general, no lock out, no reduction of output nor any form of industrial action.

In a collective disputes situation, a written Failure to Agree should be presented at each Stage after Stage 3.

Except in exceptional circumstances, no more than seven days should elapse between each of the progressive stages.

All individual grievances should initially be discussed between the team member and the next level of manager. If not resolved at this preliminary stage, the matter should be referred to Stage 1 of the procedure.

The following procedure should be used up to (and including) Stage 4 to settle individual team member grievances. The grievance procedure is not to be used as an extension of the disciplinary procedure and cannot be used as a secondary means of appeal against disciplinary action. Collective grievances and disputes may be pursued up to (and including) Stage 5. Any dispute or grievance shall be investigated immediately with a view to resolving the matter and the procedure shall be as follows:

- **Stage 1**

A team member who wishes to raise with the Company any matter relating to their Terms and Conditions of Employment or any matter which, in their opinion, adversely affects them shall, in the first instance, raise such matters in writing with their Team Manager. The Team Manager will respond to the grievance in writing.

- **Stage 2**

If unresolved, the issue may be referred to a meeting between the team member, the appropriate Union representative (or workplace team member) and relevant manager in an attempt to arrive at a local settlement. Such a meeting may be requested by either party notifying the other and confirming in writing. It should be held within seven working days of the receipt of notification unless otherwise mutually agreed.

Collective grievances/disputes will be invoked at Stage 2 of the procedure by either party.

- **Stage 3**

If unresolved the issue may be referred to a meeting between the team member, the appropriate Union full time official (or workplace team member) and the relevant manager in an attempt to arrive at a local settlement. Such a meeting may be requested by either party notifying the other and confirming the request in writing. The meeting shall be held within seven working days of the receipt of the notification unless otherwise mutually agreed.

- **Stage 4**

Should the matter remain unresolved, the issue shall be referred for determination to a meeting mutually agreed within 14 days between the employee, his Union full time official and the General Manager of the Company (or nominated deputy). A member of the regional Human Resources team will attend at this stage.

- **Stage 5**

If the matter concerning a group of team members is unresolved at Stage 4 it may be referred to ACAS for conciliation purposes. This will only be considered once the Business Unit Director has become involved in the process.

If the conciliation fails the Company and Union will be obliged to progress the issue in dispute to compulsory Binding Arbitration via an Independent Arbitrator appointed by ACAS and the parties will abide by the decision made by the Arbitrator. Compulsory Binding Arbitration will in all cases be the method used to resolve disputes and there will be no disruption to service whilst the process is in operation.

The terms of reference of the Arbitrator will be agreed by the parties and drawn up with the assistance of ACAS.

Written accounts will be submitted to the Arbitrator at least 21 days prior to the Hearing. These submissions will be exchanged simultaneously with each other. If on consideration of these documents either party is of the opinion that further conciliation may resolve the issue, then the matter will revert to the conciliation stage within the 21-day period.

The Arbitrator will make a decision on the basis of the document submitted and following discussion with the parties. He will then decide in favour of one submission or the other. The Arbitrator's decision will be final and binding on the parties (including all team members employed on the contract).

30. COACHING FOR IMPROVEMENT

- Coaching for Improvement is designed to help and encourage all team members to achieve and maintain standards of conduct, attendance and job performance.
- Disciplinary action against a team member arising from a breach of the rules, or failure to meet the required standard in regard to conduct, attendance and job performance will be taken only in accordance with the procedure established below.
- Whilst not intending to establish an absolute rule, as each case must be dealt with depending on its circumstances, this procedure is designed to ensure fair, consistent and effective treatment for all, and to avoid arbitrary action.
- The Company reserves the right to reduce the levels in the disciplinary procedure for team members during their probationary period.

- **Principles**

1. No disciplinary action will be taken against a team member until the case has been fully investigated.
2. At every stage of action in the procedure the team member will be advised of the nature of the complaint against him or her and will be given the opportunity to state his or her case before any decision is made.
3. The disciplinary action will take into account the team member's previous record and warnings, as well as the gravity of the immediate offence.

4. No team member will be dismissed for first breach of discipline, except in the case of gross misconduct when the penalty will be dismissal without notice or payment in lieu of notice.
5. In order to allow for the varying degrees of seriousness in breaches of discipline the procedure outlined below can be implemented at any stage according to the seriousness of the offence.
6. Under normal circumstances a warning of any kind would not remain in force for a period exceeding 12 months. However, in exceptional circumstances, this 12 month period may be extended at the discretion of the manager concerned. In all cases the length of time over which a warning remains in force will be communicated to the team member concerned.
7. On occasions where Police are involved management have the right to investigate the circumstances and take appropriate action regardless of whether or not the Police are still involved in proceedings.

Disciplinary action will be taken at management's discretion in the following stages depending on the severity of the offence. All warnings shall be confirmed in writing to the team member, with a copy being placed on the individual's file, stating:

- The nature of the offence
- The period it shall stand against the team member
- The stage the warning is in the procedure
- The consequences of further offences

▪ **Verbal Warning**

For less serious offences the team member may, pending the outcome of an investigation and hearing, in the first instance receive a verbal warning from their Team Manager or above. This formal warning will remain on file for a period of not less than six months.

▪ **First Written Warning**

A repetition of a similar offence within a six month period, or a more serious offence, pending the outcome of an investigation and hearing, the team member may receive a first written warning issued by a Team Manager or above. This formal warning will remain on file for a period of not less than twelve months.

▪ **Final Written Warning**

In the event of a further failure within a 12 month period, or an extremely grave offence, pending the outcome of an investigation and hearing, the team member may receive a final written warning issued by a Shift Manager or above.

The Company reserves the right, as an alternative to a Final Written Warning, to issue a suspension without pay for a period of up to ten days, or permanent transfer to other duties on a lower rate of pay.

▪ **Dismissal**

Any further disciplinary action may result in dismissal with notice.

A decision to dismiss a team member will in no case be taken by a Manager below an Operations Manager level. Pending the outcome of the investigation and hearing the team member's employment may be terminated under the Terms and Conditions of Employment.

- **Summary Dismissal**

Certain offences, however, must be regarded as being so serious as to render the offender liable to summary dismissal without notice. Included among these offences, which may lead to summary dismissal, are:-

- i. Attempting bodily injury to another person
- ii. Stealing of, or malicious damage to, the property of other team members or the Company.
- iii. Drunkenness, or being under the influence of drugs or drinking intoxicating liquor whilst on duty in Company premises or vehicles.
- iv. The wilful and persistent refusal to carry out the reasonable instructions of management.
- v. Making false statements in regard to matters affecting employment.
- vi. Falsification of any document or time recording offence.
- vii. Wilful neglect in the case of the Company's property or disregard of health and safety precautions.
- viii. Disclosure to a third party of the Company's business.
- ix. Sexual, racial or disability discrimination, harassment or bullying.
- x. Dishonesty conviction outside of the workplace that would affect the working relationship between team member and the Company.

The above list should not be taken as exclusive or exhaustive.

- **Right of Representation**

All team members have the right to be accompanied at disciplinary hearings by a fellow team member or be represented by a Union representative. At the team member's request confirmation of the outcome of the investigation and hearing will be confirmed in writing to the appropriate Union representative.

- **Right of Appeal**

In the case of any formal warning and more serious disciplinary action, all team members have the right of appeal which they must exercise within three working days following the receipt of their letter or five working days from the interview, whichever is the greater.

Appeal hearings will be held with the next appropriate level of management.

An appeal hearing will take place within seven working days of receipt of written notification that an appeal has been lodged, unless otherwise mutually agreed. The team member has the same rights of representation at this stage.

In the case of dismissal the appeal will be heard by a senior manager or nominated deputy whose decision is final.

- **Level of Authority**

An appeal against a verbal warning and above will only be heard by an manager more senior to that of the manager issuing the warning and where possible, a manager from another department within the site.

31. COACHING FOR SUCCESS

Coaching for success seeks to recognise those who have done well and/or made significant efforts to the operation. The following activities should not, however, replace the normal practice of consistently giving credit for good performance to individuals and the teams in which they operate, by giving attention, encouragement and support to their activities and praising their successes.

32. ACCIDENTS

All accidents will be reviewed in the interests of safety. This will be done in consultation with team member representatives in order to look at ways to eradicate the causes of accidents and limit the risks involved.

Where applicable, accidents that were the team member's fault due to negligence, horseplay or not following procedures will be dealt with in line with the disciplinary procedure.

The failure of a team member to report an accident may be deemed a gross misconduct offence, which will be dealt with in accordance with the disciplinary procedure.

33. DRUG AND ALCOHOL TESTING

All team members will accept random or targeted alcohol or drug testing, including breath, swipe, swab, urine or blood testing at the request of management, where suitable testing facilities, qualified personnel and procedures exist. Any team member whose test breaches the Company standards and / or indicates the presence of illegal substances will be subject to disciplinary action rendering them liable to dismissal. All team members will be made aware on the affects of drugs and alcohol substances.

34. REDUNDANCY PROCEDURE

In the event of redundancy arising, there will be full consultation with the team members and their Union representatives.

Normally, selection for redundancy within the departments affected will be based on performance criteria or length of unbroken service with the Company. Consideration will also be given to the possibility and effect of voluntary redundancy, early retirement, capability, relocation, work sharing and inter-departmental transfer.

Compensation payments in the event of redundancy arising will be in accordance with the rules laid down by Government.

35. SUSPENSION OF NORMAL WORKING WEEK

Where the Company is not able to offer work to its team members, the following procedure applies:

- (i) The Company will immediately call all Union representatives to a meeting in order to discuss the situation.
- (ii) Assuming no other work would be available team members will be offered the option of taking all holidays earned up to this date. Restrictions on the times at which holidays can normally be taken would thus be lifted. Team members do not have to take holidays.
- (iii) After holidays have been taken (if any) - and assuming work is not available - team members concerned will be laid off without pay, once guaranteed payments have been exhausted.
- (iv) Payment for the 'week in hand' will, of course, be made by the Company in the normal way.
- (v) Laid off team members with appropriate service will be paid the statutory guaranteed payment.
- (vi) Laid off team members should be entitled to certain State Benefits, and Human Resources Department will advise any employee on this matter. These benefits will vary according to individual circumstances.

36. SECURITY PROCEDURES

The Company recognises the necessity to maintain a high level of security in order to protect the property of both the Company and its customer, and through that protect the jobs of the Company's team members. Search procedures may involve use of electronic scanning equipment.

Team members must recognise the right of the Company to search its team members, lockers, bags etc as part of the conditions of employment and agree that whilst they have the right to refuse to be searched, that refusal could lead to dismissal.

The Company recognises the need to maintain the dignity of a team member when subjected to a search and the right of an individual to be represented by a representative/employee. Searches may be extended to include vehicles.

Further details of the Search Procedure can be found in the site Handbook.

PART D

REVIEW OF TERMS AND CONDITIONS

These Terms and Conditions will be subject to annual review on

.....

Signed on Behalf of Wincanton Limited

Signed on Behalf of USDAW

Dated :

Dated:.....

Note – amended for clarity on holiday arrangements pre March 2010 and post March 2010 changes.

Dated : 6 February 2017

