EMPLOYEE MISCONDUCT POLICY

This policy contains guidance on performance and conduct management, and the discipline and termination consequences that may follow. It is strictly for general guidance purposes only and aims to provide employees and management with an understanding of the procedures that may be followed in certain circumstances.

In so far as this policy imposes any obligations on the Company, those obligations are not contractual and do not give rise to any contractual rights. To the extent that this policy describes beneﬁts and entitlements for employees, they are discretionary in nature and are also not intended to be contractual. The terms and conditions of employment that are intended to be contractual are set out in an employee’s written employment contract.

The Company may unilaterally introduce, vary, remove or replace this policy at any time.

# WHAT CONSTITUTES POOR PERFORMANCE?

An employee’s performance will be considered poor or unsatisfactory if the employee is repeatedly not meeting the requirements of their role (as set out in the employee’s position description, contract of employment, key performance indicators, Company policies, or as communicated to the employee otherwise). Poor performance may be observed by the employee’s manager or other relevant person and may or may not be the result of a formal performance evaluation.

# WHAT CONSTITUTES MISCONDUCT?

Misconduct includes, but is not limited to: Unauthorised absenteeism;

Unacceptable behaviour towards managers/supervisors/employees/clients/customers of the Company; Inappropriate or dishonest behaviour in the workplace;

Any instances of harassment and/or bullying;

Non-compliance with Company policies, procedures or practices;

Failure to follow lawful and reasonable direction from the Company or an authorised representative of the Company.

Depending on the nature of the poor performance or misconduct, a number of disciplinary steps may be taken. The action taken will depend on the nature and severity of the employee’s conduct. The steps below are listed in order of seriousness of the poor performance and/or misconduct, however, they do not need to be followed in sequential order and how any matter is dealt with is always at the complete discretion of the Company.

## INFORMAL COUNSELLING

The Company may informally counsel an employee in order to assist the employee to better understand workplace practices, the required level of conduct and/or performance or any other matter the Company feels it appropriate to raise with the employee for their development. If the employee continues to engage in the conduct and/or poor

performance which has been subject of informal counselling, the employee may be subject to any of the disciplinary procedures set out below up to and including termination of employment.

## FORMAL DISCIPLINARY PROCESS

If the employee’s performance or conduct does not improve following informal counselling, the Company may decide to commence a formal disciplinary process. This process may also be followed without prior informal counselling, where the seriousness of the performance or conduct issues mean it is appropriate to move straight to this stage.

The employee will usually be given written notiﬁcation to attend a meeting in relation to the employee’s performance or conduct. Generally, the employee will be given at least 24 to 48 hours’ notice of the meeting. The letter will set out the performance or conduct issues to be discussed and warn the employee of the potential outcomes of the disciplinary process.

The Company will oﬀer the employee an opportunity to have a support person present during the meeting. The support person is not entitled to play an active role in the meeting and is not entitled to speak on behalf of the employee, but may provide support, guidance and advice to the employee (in private if they so wish).

Generally, the following process will be followed in the disciplinary meeting:

The Company will explain to the employee why the employee's performance is not meeting the expected standards (by reference to the employee’s job description, contract of employment, key performance indicators, etc) or elaborate on any allegations of misconduct;

The employee will be provided with an opportunity to respond to all such issues;

The Company will explain the potential outcomes of the meeting and the employee will be given an opportunity to respond to this (for example, if termination is being considered, the employee should be given an opportunity to say while they feel this is inappropriate).

Possible outcomes of the meeting include (but are not limited to): no action being taken, the need for further investigation, a verbal warning, a performance improvement plan, a written warning, termination of employment (with notice / payment in lieu of notice) and termination of employment without notice (only in cases of serious misconduct). These are discussed further below.

## NO ACTION TAKEN

In certain circumstances the Company will decide that no action will be taken against the employee (because, for example, the allegations of misconduct are found to be unsubstantiated). In this situation the Company will generally conﬁrm the outcome of the disciplinary meeting (and that no action is to be taken) in writing.

## FURTHER INVESTIGATION

In some circumstances the Company will need to undertake further investigation following the disciplinary meeting in order to decide on the appropriate action to take. This may occur when, for example, there are conﬂicting versions of events and the Company is not in a position to make a ﬁnding on the issues/allegations.

## VERBAL WARNINGS

A verbal warning will generally be appropriate where the employee’s performance or conduct has not improved following informal counselling, or in relation to an incident that is not serious enough to warrant a written warning. A verbal warning will involve warning the employee that if their performance or conduct does not improve, they may be subject to more serious disciplinary action.

A written record of the verbal warning should be kept.

## PERFORMANCE IMPROVEMENT PLAN (PIP)

A performance improvement plan (or “PIP”) is generally used where issues have been identiﬁed in an employee’s performance that need to be improved. A PIP will set clear goals or targets that the employee is expected to meet by certain dates. The Company will review the employee’s performance during the period of the PIP and assist the employee in trying to improve their performance. If the employee’s improvement does not improve the employee may be required to attend a disciplinary meeting and may be issued a written warning. If the employee’s performance does not improve after being issued one or more warnings, they may be required to attend a disciplinary meeting and (if no reasonable excuse can be given for the failure to improve) their employment may be terminated.

## WRITTEN WARNINGS

In the event that the Company has serious concerns about an employee’s performance or conduct, a written warning may be issued to the employee. This may (but will not necessarily) occur following continued or repeated behaviour raised in earlier informal counselling or in a verbal warning. There may be instances where a written warning may be issued in the ﬁrst instance, based on the seriousness of the poor performance or conduct.

A written warning will generally inform the employee:

Of the employees' performance or conduct issues that have been found to be an issue;

Why the Company did not ﬁnd the employee’s response to such issues in the disciplinary meeting to be acceptable;

Of a reasonable timeframe within which the employee must remedy their poor performance and/or conduct;

That if the employee continues to under-perform or engage in misconduct, other disciplinary action may be taken, up to and including termination of employment.

## TERMINATION OF EMPLOYMENT (WITH NOTICE OR PAYMENT IN LIEU OF NOTICE)

Poor performance or misconduct may lead to the termination of an employee’s employment (either with notice or payment in lieu of notice).

The number of warnings provided to an employee prior to termination of their employment may vary depending on the circumstances. For example, it may in some circumstances be appropriate for the Company to provide the employee with a number of warnings in relation to the same poor performance or conduct where such poor performance or conduct is of a relatively minor nature, before terminating the employee’s employment. Similarly, the Company may provide an employee with a number of warnings where an employee engages in misconduct or poor performance which is separate to that which was the subject of an earlier warning, or which was not reasonably proximate in time to an earlier warning.

In extreme cases of poor performance or misconduct it may be appropriate to terminate employment without any previous warnings having been given.

At the disciplinary meeting, the employee will be given an opportunity to explain why they consider termination of employment is not appropriate prior to the Company taking a ﬁnal decision.

## TERMINATION OF EMPLOYMENT WITHOUT NOTICE (“SUMMARY DISMISSAL”) IN CASES OF SERIOUS MISCONDUCT

Serious misconduct is wilful and/or deliberate behaviour by an employee that is inconsistent with the continuation of employment, including but not limited to:

A material breach of the employee's employment contract;

Serious failure in the performance of duties or improper or inappropriate use of the employee’s position; Wilful violation of any law or rule of a regulatory body;

Deliberately diverting customers or business away from the Company; Accepting bribes or secret commissions;

Any conduct that in the reasonable opinion of the Company constitutes a serious or potentially serious conﬂict of interest, including working for a competitor during the term of the employee’s employment;

Refusal to comply with a lawful and reasonable direction given by management or any other person duly allowed by the Company;

Dishonest behaviour and/or acting in a way that is inconsistent with the best interests of the Company;

Deliberately providing false or misleading information to the Company or any of the Company's customers or suppliers;

Being convicted of a criminal oﬀence which, in the reasonable opinion of the Company, may have the eﬀect of bringing the Company into serious disrepute or aﬀecting the ability of the employee to meet obligations under the employee’s employment contract;

Theft or misappropriation of Company property;

Being under the inﬂuence of alcohol and/or illegal drugs whilst at work or on Company property;

Acting in a way which in the reasonable opinion of the Company may injure or be likely to injure the business or reputation of the Company;

Acts of bullying, harassment or discrimination; Threatening, violent, or oﬀensive behaviour;

Conduct that causes imminent, and serious risk to the health, or safety, of a person or the reputation, viability or proﬁtability of the Company.

At the disciplinary meeting, the employee will be given an opportunity to explain why they consider termination of employment without notice is not appropriate prior to the Company making a ﬁnal decision.

## RECORD KEEPING

Records of verbal warnings and any written warnings will be placed in an employee’s personnel ﬁle.

## OTHER POLICIES

Employees are encouraged to read this policy in conjunction with other relevant Company policies, including: Workplace Anti-Bullying and Anti-Harassment Policy;

Equal Employment Opportunity and Anti-Discrimination Policy; Code of Conduct;

Grievance Handling Policy.