

Contact officer:

Name: Corina 't Hoen

Function:

HR Manager

Sanctions Policy

Issue date:

January 2018

Last review date:

9 October 2023

Next review date:

9 October 2025

Introduction

Purpose

The Sanctions Policy set out below is designed to ensure that all employees of **Royal LC Packaging International B.V.** (LC Packaging) are treated fairly and consistently, to ensure the efficient and safe performance of work and to promote the maintenance of good relations between colleagues and between employees and their managers. Employees should familiarise themselves with, and abide by, the Sanctions Policy.

Scope

The contents of this policy are intended for all employees, part time workers, interns, contractors of LC Packaging International B.V, its affiliates and production sites.

What actions could lead to sanctions?

Code of conduct and HR Manual

The Code of Conduct and HR Manual cover the main standards of behaviour and performance required by LC Packaging. You are under a duty to comply with the standards of behaviour and performance required by LC Packaging and to behave in a reasonable manner at all times. A breach of LC Packaging's rules set out below will render you liable to disciplinary action in accordance with the disciplinary procedure. Our rules and the examples of misconduct below are not exhaustive. They include the following:

- You must comply with the rules relating to notification of absence as set out in our HR Manual;
- You must arrive at work promptly, ready to start work at your contracted starting times, and must remain at work until your contracted finishing times;
- You may be required to work additional hours at short notice, as the needs of the business require;
- You must obtain management authorisation if for any reason you wish to arrive later or leave earlier than your normal start and finish times;
- You are solely responsible for your own time recording on commencing and finishing work. Any errors or omissions must be corrected by you and raised with management who will authorise or endorse any amendment;
- You must maintain satisfactory standards of performance at work and a high level of quality, accuracy and diligence;

- You must keep confidential, both during your employment and at all times after its termination, all information gained in the course of your employment about the business of LC Packaging, and that of our customers, Production Partners and business partners, except in circumstances in which you are required to disclose information by law or in the course of the performance of your duties with LC Packaging;
- you are not permitted to engage in any activity outside your employment with LC Packaging which could reasonably be interpreted as competing with LC Packaging;
- you may be required from time to time to undertake duties outside your normal job remit;
- you may be required from time to time to work at locations other than your normal place of work;
- you must co-operate fully with your colleagues and with management and to ensure the maintenance of acceptable standards of politeness;
- you must take all necessary steps required to safeguard the public image of LC Packaging and preserve positive relationships with its customers;
- you must comply with LC Packaging's operating policies and procedures;
- you must ensure that you do not breach LC Packaging's policies on equality;
- you must gain an understanding of LC Packaging's health and safety procedures, observe them and ensure that safety equipment and clothing is always used;
- all accidents, however minor, must be reported to management as soon as possible;
- you are not permitted to make use of LC Packaging's IT and communication systems without management permission;
- company property and equipment must not be taken from LC Packaging premises other than for use on authorised company business;
- you are solely responsible for the safety of your personal possessions while in LC Packaging's premises. You must ensure that your possessions are at all times kept in a safe place; and
- if you find an item of personal property on the premises that does not belong to you, you are required to inform management immediately.

Gross misconduct

An instance of gross (serious) misconduct will normally render you liable to dismissal without notice or pay in lieu of notice. Set out below are examples of behaviour which LC Packaging treats as gross (serious) misconduct which will normally render you liable to dismissal without notice (the list is not exhaustive):

- theft, dishonesty, or fraud;
- assault, act of violence, or aggression;
- unacceptable use of obscene or abusive language (including language of a discriminatory nature);
- possession or use of non-prescribed drugs on company premises or during working hours;
- possession or consumption of alcohol on company premises or during working hours, other than on occasions approved by LC Packaging;
- serious incapability at work brought on by alcohol or non-prescribed drugs;
- wilful damage to LC Packaging's property or the property of its employees or customers, Production Partners or business partners;
- serious insubordination;
- falsification of records or other company documents, including those relating to obtaining employment;
- unlawful discrimination, harassment or bullying;
- refusal to carry out reasonable management instructions;
- gambling, bribery, or corruption;
- possession of weapons in the premises of LC Packaging;
- acts of indecency or sexual harassment;
- serious breach of the health and safety policies and procedures, or endangering the health and safety of a fellow employee, client or third party;
- breach of confidentiality, including the unauthorised disclosure of company business to the media or any other party (this rule does not apply to making, in good faith, a protected disclosure (whistleblowing) or to a relevant pay disclosure);
- unauthorised access to or use of computer data or computer hardware;
- copying of computer software, other than when authorised in your normal course of employment;
- bringing LC Packaging into disrepute;
- misuse of LC Packaging's name;
- serious breach of LC Packaging's policies or procedures;
- Inability to perform duties due to, for example, the loss of a driving license;
- serious negligence which causes or might cause unacceptable loss, damage or injury; or
- conviction of a criminal offence (except for minor road traffic offences) that impacts on your suitability to do your job or your relationship with LC Packaging, your work colleagues or LC Packaging's customers, Production Partners or business partners.

Disciplinary procedure

The disciplinary procedure will be used where there are possible issues of misconduct. The disciplinary procedure does not form part of your contract of employment. It may be amended at any time and LC Packaging may use an alternative procedure depending on the circumstances of the particular case. If you, or your chosen companion, experience or anticipate any difficulty at any stage of the procedure because of a disability or a medical condition, you should contact Managing Director.

Investigation

If any complaint of misconduct is made against you, an investigation will usually be carried out by Manager (the Investigating Officer) without unreasonable delay to establish the facts of the case. You must cooperate fully and promptly in any investigation. On completion of the investigation, the Investigating Officer will recommend whether a disciplinary hearing should be convened or some other step(s) taken in relation to the situation. You do not have a statutory right to be accompanied at any investigatory meeting that may take place.

Stage one: invitation to disciplinary meeting

Where the Investigating Officer decides that there is a disciplinary case to answer, disciplinary meeting will be convened without unreasonable delay, while allowing you reasonable time to prepare your case. You will be notified in writing of the date, time and venue for the meeting. The letter will contain sufficient information about the alleged misconduct and its possible consequences to enable you to prepare to answer the case at the meeting. It will also usually provide copies of any written evidence, which may include any witness statements.

Stage two: disciplinary meeting

Where possible, the meeting will usually be heard and chaired by a manager who was not involved in the investigation (the Chairperson). Another manager will normally be present at the meeting to take notes. At the hearing, the Chairperson will explain the complaint against you and go through the evidence that has been gathered. You will have an opportunity to state your case in relation to the allegations and challenge any evidence produced in support of the allegations by LC Packaging. You will be given a reasonable opportunity to ask questions, present evidence and call witnesses. You should notify us in advance of the hearing of the names of such witnesses and their relevance to the allegations. You will also be given an opportunity to raise points about any information provided by witnesses. Any witness you have requested to attend a hearing with you who is a fellow work colleague will be given a reasonable amount of time off work to prepare for and attend the hearing. The proceedings, any statements and all documents and records relating to disciplinary hearings will be kept confidential.

Stage three: decision

At the end of the disciplinary meeting, the Chairperson will normally adjourn the meeting before making a decision. Following the adjournment, the Chairperson may issue an oral decision or may deliberate further and issue a decision in writing. In any event, written notification of the outcome of the meeting will be sent to you as soon as reasonably practicable, together with an explanation of any disciplinary action to be taken and notification of your right to appeal.

Adjournment

The chairperson may adjourn any disciplinary meeting (including any appeal), for example if further investigation or evidence is required. The meeting will usually be reconvened afterwards.

Suspension

If we have grounds to believe that you may be guilty of misconduct which we consider to be serious (gross) misconduct, where relationships have broken down, or where we have grounds to consider that our property or responsibilities to other parties are at risk, or where we consider that your continued presence at our premises would hinder an investigation, we will be entitled to suspend you on full pay. Any such suspension will be as brief as possible and will be kept under review. A decision to suspend you is not considered a disciplinary action, nor does it imply that any decision has been taken about your case.

Attendance and companions at disciplinary and appeal meetings

You should make every effort to attend any disciplinary hearing (including any appeal hearing). If you or your companion cannot attend the meeting, you should let us know as soon as possible and propose a reasonable alternative date and time. If this is within five working days of the original date, we will accept it and the meeting will take place then. If it is not, we will make reasonable attempts to agree another alternative date and time. If you are persistently unable or unwilling to attend a disciplinary meeting without good cause, we will make a decision on the evidence available.

You are entitled to be accompanied at any disciplinary meeting (including any appeal hearing) by a fellow work colleague of your choice or trade union representative who meets the statutory requirements. Please note that it is your responsibility to secure the attendance of any fellow work colleague. You may not be accompanied by any other person, such as a relative, without our prior agreement; or by a legal representative. The person accompanying you is entitled to address the hearing to put and sum up your case, respond on your behalf to any views expressed at the hearing and confer with you during the hearing. The person accompanying you does not have the right to answer questions on your behalf, address the hearing if you do not wish it or prevent LC Packaging from explaining its case. Any work colleague whom you have requested to accompany you will be given a reasonable amount of paid time off to prepare for and attend the hearing.

Levels of disciplinary sanctions

Very minor cases of misconduct will be dealt with informally, with the objective of improving your conduct. Where the matter is more serious, or where you have failed to improve your conduct, formal action will be taken as described below.

There are three levels of disciplinary sanction. Other than in cases of gross (serious) misconduct, you will not normally be dismissed for a first offence but LC Packaging reserves the right to impose sanctions at any level, or to skip levels, depending on the circumstances of the case.

Level 1: written warning

Where misconduct is confirmed you will usually be given a formal written warning. A first written warning will normally remain in force for six months.

Level 2: final written warning

If you fail to improve or change behaviour during the currency of a prior written warning or where the misconduct, infringement or offence is sufficiently serious, you may be given a final written warning. A final written warning will normally remain in force for 12 months.

Level 3: dismissal or other sanction

If you fail to improve or change behaviour or improve conduct during the currency of a prior warning, or where the misconduct, infringement or offence is sufficiently serious to warrant dismissal, or if you are guilty of an act of gross (serious) misconduct (see Section 2.2 for a non-exhaustive list of examples), dismissal will normally result. A decision to dismiss will only be taken by a manager who has the authority to do so.

Alternatively, a sanction other than dismissal may be imposed (e.g., demotion, loss of seniority). If that is the case you will, as soon as is reasonably practicable, be provided with written confirmation of the action to be taken, how it is to be implemented, the reason for the action, the date on which it will come into force (if appropriate) and information on your right to appeal. These sanctions may be used in conjunction with a written warning.

Written warnings: information to be provided A first or final written warning will set out the nature of the misconduct and the change in behaviour required, and the timescale. It will also set out the consequences of further misconduct within the set period following the warning. A copy of the first or final written warning will be kept on your personnel record. In exceptional cases, depending upon the seriousness and nature of the behaviour, misconduct or infringement, the period for which the warning remains in force may be longer than that specified above. A first written warning will normally be disregarded for disciplinary purposes after six months and a final written warning after 12 months (or any longer period specified in the warning) subject to satisfactory conduct and performance during that time, but will form a permanent part of your personnel record.

Dismissal: information to be provided Where you are dismissed, you will be given written confirmation setting out details of the reason for dismissal, the date on which your employment terminated or will terminate, the appropriate period of notice or pay in lieu of notice (if any) and your right to appeal against the dismissal.

Summary dismissal: If you are guilty of an act of gross (serious) misconduct or some other fundamental breach of LC Packaging's rules or of the contract of employment you may be summarily dismissed. This means that there will be no obligation on LC Packaging to allow you to work your notice period or make a payment in lieu of notice.

Appeal

If you wish to appeal against a disciplinary decision or sanction, you must inform the Chairperson in writing within five working days of receiving notification of the disciplinary decision, setting out the full grounds your appeal. If you wish to produce additional evidence to support your case then this must be provided to the Chairperson in advance of the appeal hearing.

All appeals will be dealt with as promptly as possible and a date will be set for the appeal hearing as soon as is reasonably practicable after the Chairperson has received written notification of your appeal. Wherever possible, the appeal will be heard by Managing Director of LC Packaging who has not been involved in the investigation or disciplinary hearing and/or who is more senior than the person who heard the disciplinary hearing (the Appeal Chairperson). You will be informed of the arrangements for the appeal hearing, confirmation of the Appeal Chairperson, details of any other representative of LC Packaging who will be present of the right to be accompanied at the appeal hearing.

The Appeal Chairperson will confirm to you in writing the outcome of the appeal hearing usually within five working days of the appeal hearing, or as soon as is reasonably practicable. The Appeal Chairperson's decision will be final. There is no further right of appeal.

Approval of policy

Name: Lucas Lammers, CEO LC Packaging

Date: 9 October 2023

Signature:

A handwritten signature in black ink, appearing to be 'L. Lammers', written over a horizontal line.