

# Conducting Business

## **The Unipart Way**



# TABLE OF CONTENTS

<b>MISSION, PHILOSOPHY, VALUES &amp; PRINCIPLES</b>	<b>4</b>	<b>MOTIVATING EMPLOYEES</b>		<b>PROMOTING A WORK /HOME BALANCE</b>	
<b>UNIPART GROUP VALUE SETS</b>	<b>4-8</b>	Engaging for success		Annual leave	
<b>UNIPART WAY PHILOSOPHY</b>	<b>8</b>	Recruitment and pre-employment screening	<b>17</b>	Flexible working	
<b>UNIPART WAY PRINCIPLES</b>	<b>8</b>	Personal development and training		Remote working	
Customer		The Unipart U	<b>18</b>	Public duty	
Company	<b>8</b>	Faculty on the floor		Parental leave	
Quality		The Teaching Factory and Advanced Manufacturing Engineering Centre	<b>19</b>	Exceptional leave	
Continuous improvement		Appraisal	<b>20</b>	Maternity, paternity, shared parental and adoption leave	
The Community	<b>9</b>	Performance management		Over state retirement age	<b>25</b>
The Environment		Remuneration and reward		<b>DEALING WITH DISAPPOINTING SITUATIONS</b>	
Health and safety	<b>10</b>	Company cars	<b>21</b>	Probationary and disciplinary action	
Employee Wellbeing		Secondment, transfer, and redeployment		Employee concerns	<b>26</b>
Human rights	<b>11</b>	Mark In Action	<b>22</b>		
Modern slavery and human trafficking		<b>SETTING EMPLOYEE STANDARDS</b>			
Data protection	<b>12</b>	Managing sickness absence			
Group security		Restricted smoking at work	<b>23</b>		
Information technology security		Substance abuse			
Social Media	<b>13</b>	Using email, the Internet, telecommunications and removable media devices			
Business conduct		Mobile phones	<b>24</b>		
Anti-Bribery and Corruption	<b>14</b>				
Tax Laws and the Criminal Finances Act 2017					
Lobbying					
Authority limits					
Individual dignity	<b>15</b>				
Inclusion, Diversity and Equality					
Forums					
Whistleblowing	<b>16</b>				



This booklet describes the principles at the heart of the way the Unipart Group conducts its business. It captures our beliefs about business ethics, and shows how we motivate and set high standards of conduct and performance for our employees. The content of this document is applicable to everyone who has an interest in the Group: customers, potential customers, suppliers, employees and other stakeholders.

It is important we are regarded as a responsible, ethical and supportive business to earn, and retain, the trust and confidence of our many stakeholders. This has been the cornerstone of our corporate strategy since the Unipart Group of Companies was formed in 1987.

If you discover the company's standards and reputation are being put at risk by unethical or even criminal behaviour, you should report the facts. Ignoring bad behaviour is wrong and may damage the reputation not only of the company but everyone who works for it.

At Unipart we believe that corporate responsibility is not just a job for selected people at Unipart, it defines the way we do business. It is essential every employee delivers our business objectives within the framework described, since responsible business can only be a reality if it is practised by all Unipart people at all times.

**John Neill**

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES



## MISSION STATEMENT

The Unipart Group aims to be an enduring upper quartile performing company in which stakeholders are keen to participate, performing principally in the manufacturing, logistics and consulting market by:

- Pursuing our values
- Pursuing well-judged entrepreneurial risks
- Ensuring the continuity, relevance and synergy of the divisions' missions
- Creating an environment within which the divisions can and do pursue their missions

## OUR STAKEHOLDER PHILOSOPHY

Unipart has demonstrated a stakeholder philosophy in a commercial context for many years. It is based on sound business thinking and recognition of the importance of achieving world-class standards of performance to compete in global markets. We see five key stakeholder groups:

- Our customers
- Our employees
- Our investors
- Our suppliers
- The communities in which we do business

## UNIPART GROUP VALUE SET

The Unipart Group is a combination of people, ideas, and assets which exist for the benefit of our stakeholders. The Group will strive to be the best in everything we set out to do, and will only set out to do those things at which we can be the best. The relationships and interdependencies between our stakeholders are key to achieving this position and are described in our Values that address:

- The employee as an individual
- The individual as an employee
- Employees and potential employees (Unipart as an employer)
- The customer
- The supplier
- The owner

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## UNIPART GROUP VALUE SET - EMPLOYEE AS AN INDIVIDUAL

Among the company's values nothing is more fundamental than our respect for the individual. The Group fosters an environment in which individual employees can both contribute to and share in the fortunes of the business in a fair and consistent manner. Our employees are our greatest asset and as such they deserve:

- To be informed of their role and tasks
- To be appropriately trained and developed for the role and tasks required of them
- To be allowed the opportunity to perform
- To be regularly counselled on how they are doing and their career potential
- To be recognised and rewarded according to their individual achievements
- To be managed professionally
- To be given the willing assistance and support of their colleagues.
- To be given the opportunities to develop their career potential to the full extent of their ability
- To be informed of what their company is doing, and what its objectives are
- To know we actively encourage promotion from within the company
- To have their ideas and opinions properly considered
- To not be burdened by those not willing to contribute
- To work in an inclusive environment free of discrimination, harassment, victimisation and bullying
- To have a safe and secure working environment
- To have a right to keep matters not relevant to employment private
- To be communicated and consulted with

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## UNIPART GROUP VALUE SET - INDIVIDUAL AS AN EMPLOYEE

As Unipart respects our employees so we expect our people to:

- Support the company, its policies, products, and objectives in the market
- Appraise errors or faults in policies or practices constructively
- Maintain within the company all confidential information, plans, and strategies about the company and its performance
- To take a positive attitude towards their jobs and the resolution of problems and keep their manager informed at all times in order that they may manage effectively and avoid problems
- Take responsibility for all equipment and facilities used, by ensuring that they are kept clean and all faults are rectified or reported for rectification
- Bring to the company's attention any concerns relating to malpractice (including illegality) at work that has occurred, or may occur.

## UNIPART GROUP VALUE SET – UNIPART AS AN EMPLOYER

- Will promote equal treatment for all employees and potential employees irrespective of race, religion or belief, colour, sexual orientation, nationality, ethnic origin, disability, age, gender, marital status or working hours/arrangements
- Will make all reasonable efforts to accommodate the cultural, religious or other needs of employees
- Will not make, sell, store, or transport anything if we cannot do so safely
- Will consider the social and environmental impacts of all undertakings

## UNIPART GROUP VALUE SET - OUR CUSTOMERS

Our future as a Group and as individual employees is determined by our ability to satisfy the needs of our customers who, whether individual, retail, wholesale or corporate, deserve:



- To have their needs understood and fulfilled
- An outstanding quality of product and service which exceeds the express and implied promise made when business is placed with Unipart
- To be told clearly about the details of the offer before business is accepted
- Frankness and integrity from Unipart
- A positive approach to the resolution of difficulties of all kinds
- To be listened to carefully at all times
- Our demonstrable commitment to the continual development of mutually beneficial relationships.

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## UNIPART GROUP VALUE SET - OUR SUPPLIERS

As we respect our customers, we should earn the right to be respected by our suppliers, who deserve a customer that offers:

- **Synergy** through the opportunity of a long-term business relationship built on mutual aspirations
- **Confidence** by clearly defining our requirements and maintaining a good trading record
- **Trust** by treating our suppliers with integrity and professionalism
- **Ethics** through not using our position to the detriment of our suppliers
- **Challenge** by setting demanding performance requirements but assisting our suppliers in meeting them



## IN TURN WE EXPECT OUR SUPPLIERS TO:

- Operate in a legally-compliant manner
- Work with us to deliver continuous improvement for mutual benefit
- Satisfy agreed price, quality, and delivery time criteria
- Embrace the core principles set out in the Universal Declaration of Human Rights
- Manage the social and environmental impacts of their products or services

## UNIPART GROUP VALUE SET – OUR SHAREHOLDERS

We have a duty to build and maintain a company which:

- Provides an acceptable rate of return with a good track record which gives an expectation of continual growth in earnings
- Provides an investment which, due to consistent performance in meeting commitment and forecast, will grow in value and prove realisable over time
- Provides a product or service which the market place sees as a continuing need
- Does not involve itself in unethical pursuits
- Gives pride in ownership

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

## UNIPART GROUP VALUE SET – OUR COMMUNITY STAKEHOLDERS

- Reduce so far as is reasonably practicable any negative environmental impact on local communities where that environmental impact is produced directly or indirectly by Unipart Group operations
- Reduce so far as is reasonably practicable any negative health or safety impacts on local communities where that impact is produced directly or indirectly by Unipart Group operations
- Enthuse and develop potential future employees within local communities
- Encourage employees to engage in community activities
- Invest at least 1% of UK pre-tax profits (in the form of time as well as money) in community activities



## UNIPART WAY PHILOSOPHY

The Unipart Way is a philosophy of working underpinned by a set of tools and techniques that:

- Form part of our knowledge management system
- We continuously improve based upon our experience
- Enable us to improve faster than the best alternative available to our existing and potential customers

The Unipart Way is “efficiency with a human face”.

*Our people are the key to delivering The Unipart Way and The Unipart Way is key to Unipart Group’s successful delivery of its business objectives.*

## UNIPART WAY PRINCIPLES

### Customer

1. We will expect all our leaders to live the Unipart Way philosophy and coach our employees in the tools and techniques
2. We will always make commitments that have a realistic plan for delivery

### Company

3. All our decisions should be guided by our group philosophy
4. We manage with a long-term view
5. We will encourage and expect personal use of the Unipart Way by all our employees
6. We will strive to develop our people and promote from within
7. We are all responsible for recruiting exceptional people into our company
8. We build constructive and challenging long-term relationships through ‘Ten(d) to Zero’
9. We “go and see” to understand deeply what’s happening

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## Quality

10. We expect people to solve problems at their own level
11. We build quality into our processes to avoid creating or passing on defects
12. All our key processes are aligned against the principles of pull and smoothing derived from customer based takt time

## Continuous improvement

13. We create continuous process flow to bring problems to the surface ('if you can't flow it you don't know it')
14. We use standardised work as our foundation for continuous improvement and employee empowerment
15. We spread our best practice and share our ideas inside our Group
16. We are careful to learn from the best, but we reflect on our experiences and find our own way
17. We use visual management to expose problems, inspire improvement and understand situations at a glance
18. The annual Policy Deployment process will set challenging goals and measure progress to improve the business continuously based on our experience



## The Community

Unipart Group will encourage and support our employees in participating in activities which benefit the community at large.

In doing so Unipart Group subscribes to the principles of the Per Cent Club<sup>1</sup> and will therefore endeavour to contribute 1% or more of its pre-tax profits to the community, such contributions to include cash donations, management and employee time as well as gifts in kind.

For this purpose, the “community” is defined as one or more of the following:

- Charities
- Not-for-profit organisations representing economically and socially disadvantaged groups
- Educational institutions and youth organisations
- Environmental, developmental and cultural organisations which aid economic or social regeneration
- Campaigns addressing specific community needs

Unipart Group will not support an activity whose purpose is to benefit a political or morally corrupt cause.<sup>2</sup>

<sup>1</sup> The Per Cent Club was launched in 1986 by HRH the Prince of Wales with a view to encouraging companies to contribute more to the community. The benchmark for being a member requires companies to contribute at least 1% of their pre-tax profits through cash donations, staff time and gifts in kind. The benchmark is entirely voluntary

<sup>2</sup> See Community Investment Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## The Environment

We acknowledge our responsibility for the environmental impacts of our business decisions and actions. In making this acknowledgement we interpret 'the environment' in a wide sense.

We recognise the interests of all Group stakeholders and the wider community.

We will conduct our operations in a manner that recognises these responsibilities, balancing the needs of the environment with the needs of the business.

All levels of management, from directors to team leaders, are responsible for proactively assessing and minimising environmental risks.

All employees are personally responsible for minimising any adverse environmental impacts of their activities, as far as is reasonably practicable.<sup>3</sup>



## Health and safety

We are committed to providing a safe and healthy environment for all our employees and all those who are affected, directly or indirectly, by our actions and omissions, for now and the future.

The health and safety of our stakeholders is fundamental to our philosophy of working. This is manifested as:

- Vision – that all occupational illness and injury is preventable
- Strategic intent – the Group will not make, handle, use, sell, transport, or dispose of any goods or materials without effective management of the risks involved
- Operating policies – statutory requirements are a minimum, and the highest reasonably practicable standards should be achieved. Health and safety operating policies are continuously assessed and improved based on knowledge and experience.
- Workplace organisation and management – all levels of management from directors to team leaders are responsible for ensuring that the Group's and local health and safety policy is applied to all work for which they have responsibility.
- Personal responsibility – all employees must take reasonable care of their own health and safety and that of others who may be affected by their acts or omissions by applying health and safety policy and procedures<sup>4</sup>

<sup>3</sup> See Environmental Policy

<sup>4</sup> See Health and Safety Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)



## Employee Wellbeing

We are committed to the wellbeing of our employees and have an established wellbeing strategy for our people, “Unipart Workwell” that seeks to:

- Encourage and help all our people take personal responsibility for their own health and wellbeing
- Support people in understanding the impact of their actions and decisions on the wellbeing of others
- Identify workplace factors that may negatively impact the health and wellbeing of our people and seek ways to remove or mitigate those factors.

## Human rights

As a logistics, manufacturing and consulting group, we recognise our obligations to support human rights, responsibly and with integrity. We are committed to respecting fundamental human rights in all our activities.

We strongly embrace the core principles set out in the Universal Declaration of Human Rights.

We will take all reasonable steps to ensure all Unipart people uphold and respect these principles:

- The right to freedom from discrimination of any kind, such as age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity
- The right to personal safety and security
- The right not to be held in slavery or servitude
- The right not to be subjected to torture or to cruel, inhuman, or degrading treatment or punishment
- The right to religious freedom
- The right to free participation in political life
- The right to freedom of opinion and expression
- The right to freedom of peaceful assembly and association
- The right to an adequate standard of living
- The right to education
- The right to participate freely in the cultural life of the community<sup>5</sup>

<sup>5</sup> See Human Rights Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

## Modern slavery and human trafficking

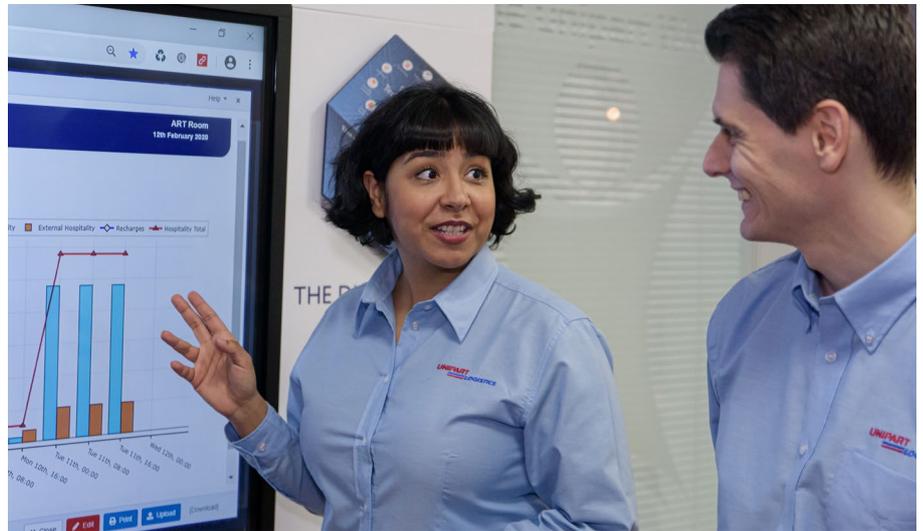
It is our policy every Unipart company and every Unipart person fully complies with all UK and (in addition and where relevant) local laws, standards and principles relating to modern slavery.

Every company in our Group is required to establish and enforce effective compliance procedures, including in their supply chains.

All new supplier contracts include anti-slavery provisions and we expect all of our suppliers to comply with these and, on request, be able to evidence this.

We undertake supplier risk assessments based on factors such as geographic location, business sector, type of product or service or local labour practices etc. and, where we believe that risks are elevated, the level of due diligence and auditing is increased as appropriate.

All employees are made aware of our policy on modern slavery, and encouraged to report any concerns – either to their line manager or in accordance with the whistleblowing policy.



## Data protection

We comply with all of our obligations under the UK Data Protection Act 2018 and General Data Protection Regulations (GDPR).<sup>6</sup>

It is our policy to ensure that all Unipart people are aware of the requirements of data protection legislation in relation to their individual responsibilities and we have established compliance procedures and guidelines that comprise of:

- A data protection policy statement
- A well-informed board committed to enforcing data protection
- Defined roles and responsibilities in relation to data protection
- Policies and procedures referring to standards and key individual rights e.g. data retention and classification, subject access requests
- A data protection governance framework which enables Unipart to adhere to the principles of the GDPR, ensuring individuals' rights under GDPR are maintained
- Data protection impact assessments (DPIAs) created and maintained by accountable managers and heads of Group functions. A DPIA is carried out on key projects and existing high -risk areas as required under law, and an annual review of DPIAs takes place with the Group leadership team (GLT)
- An information security policy to address key information security risks and monitoring use of Unipart systems to ensure compliance with relevant acceptable use policies
- Data protection training and information for all employees, with special training for key categories of staff, the Unipart Group board and GLT
- Regular monitoring and review of the data protection risks and the effectiveness the risk control measures through the annual risk review process

<sup>6</sup> See Data Protection Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)



## Group security

All our employees are required to conduct themselves ethically and legally and we do not under any circumstances consent to or condone any criminal activity within the company. We have a dedicated Group investigative and advisory service, which works to high standards of efficiency and effectiveness in the field of criminal investigation and commercial loss prevention. Its objective is to ensure the profitability of the company is not eroded by criminal practices directed against the Group or its assets, inventory, people or other stakeholders.

## Information technology security

We encourage the responsible and effective use of our information technology systems by ensuring all users are aware of the security risks, and no users inadvertently compromise the integrity, confidentiality, or availability of our data systems through inappropriate action or negligence. This enables us to:

- Build trusted business partnerships
- Ensure effective client confidentiality
- Protect our data and networks from unsolicited access and virus contamination
- Protect our company from being legally compromised or receiving adverse publicity through non-compliance with our legal responsibilities<sup>7</sup>

## Social Media

Having a corporate presence on social media and professional networking sites provides an important platform to raise awareness of Unipart's brands, promote our business and attract high calibre candidates for our vacancies. However no one should use social media on behalf of any Unipart company unless formally authorised to do so. Our social media policy is designed to clarify the use of social media within Unipart Group and protect employees from instances in which they might unknowingly damage Unipart's image, reputation or commercial activities.<sup>8</sup>

<sup>7</sup> See Unipart Systems Policies

<sup>8</sup> See Social Media Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

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## **Business conduct**

We expect the highest standards of integrity and conduct in all business matters from our employees, and all other representatives of our company. Our employees and representatives are required not to subordinate their duty to their private interests, or place themselves in any position where their responsibilities towards the company might conflict with their private interests or give grounds for suspicion in this regard.

Our customers are entitled to expect frankness and integrity from us, and this must not be compromised.

Our suppliers deserve our trust and confidence, which can only be maintained if we do not use our position to their detriment.

We look to our employees to exercise scrupulous care at all times in these matters, particularly in relation to the following:

- Gifts, loans, benefits, and hospitality<sup>9</sup>
- Share dealing
- Financial and business interests
- Commercially-sensitive information



<sup>9</sup> See Gifts, Hospitality and Conflicts of Interest Policy

<sup>10</sup> See Anti-Bribery and Corruption Policy

## **Anti-Bribery and Corruption**

Unipart does not tolerate any form of bribery or corruption.

We have established anti-bribery and corruption compliance procedures and guidelines that comprise:

- An anti-bribery and corruption policy statement<sup>10</sup>
- Top-down, well-informed leadership
- Defined roles and responsibilities as specified
- Risk assessments created and maintained by divisional managing directors and heads of Group functions. An annual review of these risks takes place with the Group leadership team
- Policies and procedures developed to address key risks
- A corporate register of declarable gifts, favours and hospitality given or received
- Training and information for all employees, with special training for key categories of staff, the Unipart Group board and Group leadership team
- Regular monitoring and review of the risks and the effectiveness of the risk control measures

**Failure to comply with these is treated as a serious disciplinary matter and is handled accordingly.**

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)

## Tax Laws and the Criminal Finances Act 2017

Unipart is committed to the prevention, deterrence and detection of criminal tax evasion and the criminal facilitation of tax evasion. We will uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017, in all the jurisdictions in which we operate.

We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, and to implementing and enforcing effective systems to counter tax evasion facilitation. We look to our employees and associated persons to exercise scrupulous care in their business conduct at all times, particularly in relation to tax evasion. We take a zero-tolerance approach to facilitating tax evasion, both under UK law and under the law of foreign countries in which we operate.

We have a policy statement that clearly sets out our policy and procedures for preventing the criminal facilitation of tax evasion which has been communicated to all of our people and supported by training for key categories of staff, the Unipart Group board and the Group leadership team.<sup>11</sup>



## Lobbying

Unipart makes representations to the government at national and local level through its own relationships. Indirectly, Unipart lobbies the government through its partner organisations such as the Society of Motor Manufacturers and Traders, and Make UK - the manufacturers' organisation, and the CBI. It is Unipart's policy to strictly comply with all lobbying laws and regulations wherever Unipart does business.<sup>12</sup>

## Authority limits

There are clear financial authority limits set within the company for:

- Capital expenditure
- Improvements, repairs and alterations
- Capital disposals
- Consultancy expenditure
- Personal expenditure
- Authorisation and signing of contracts
- Salary limits for annual pay awards, new starters and promotions<sup>13</sup>

## Individual dignity

We encourage a safe working environment in which everyone is entitled to work without being subject to harassment, victimisation or bullying. We define the behaviours which are acceptable to us, and we state clearly to our employees unacceptable and unlawful behaviour will not be tolerated.<sup>14</sup>

<sup>11</sup> See Prevention of the Criminal Facilitation of Tax Evasion Policy

<sup>12</sup> See Lobbying Policy

<sup>13</sup> Group Standard Authority Limits

<sup>14</sup> See Anti Bullying and Harassment Policy

# MISSION, PHILOSOPHY, VALUES & PRINCIPLES (CONTINUED)



## **Inclusion, Diversity and Equality**

Unipart is proud to have a diverse workforce that reflects the customers and communities that we serve and aims to reflect the local communities where we are based. Through the Unipart Way, all colleagues are supported and encouraged to reach their potential and fully utilise their talents, delivering benefits to our business.

We recognise that treating everyone the same does not necessarily produce a fair outcome for all and that for some colleagues e.g. those with an impairment or disability or certain religious beliefs, it is appropriate and/or necessary to make adjustments and accommodate individual needs. By making practical and reasonable adjustments we are being inclusive by meeting the individual needs of colleagues as well as the business.

We seek to promote diversity and inclusion by continually reviewing ways in which we can make working for Unipart attractive and accessible for all. We do this through inclusive recruitment and selection, employment practices<sup>15</sup>, people policies, training for our line managers and talent development pipelines that enable all of our people to give of their best and achieve their goals.

We continue to uphold the Equality Act 2010, ensuring no one is discriminated against based on gender, race, sexual orientation, religion, disability, age or social class.

## **Forums**

Forum is the name given to an elected group of employees who meet on a regular basis to raise work-related issues and put forward the views and opinions on behalf of their colleagues. Forum representatives are appointed to relevant forums from all areas in the company. They discuss a wide range of issues including company performance, health and safety, the working environment, facilities, and terms and conditions of employment; and in addition will act as a consultative body where required during times of change.

Our forums are just one of the means by which we encourage all of our people to engage in two-way communication and play an active part in the future of the business.

## **Whistleblowing**

Unipart will never require, expect or condone malpractice in any area of our business. We expect our employees to bring to our attention any concerns they may have relating to actual or potential malpractice and/or illegal activity at work and will ensure that they suffer no detriment as a result of any such disclosure.

Our employees are requested to always bring concerns like this to our attention, either directly or by means of our 'Whistleblowing Hotline' before raising them with external third parties or organisations; in order to give us the time and opportunity to fully investigate their concerns and take appropriate action.<sup>16</sup>

<sup>15</sup> See People with Disabilities Policy

<sup>16</sup> See Whistleblowing Policy

# MOTIVATING EMPLOYEES

Among our company values nothing is more fundamental than respect for the individual. We create and maintain an environment in which individual employees may contribute to and share in the fortunes of the business in a fair and consistent manner.<sup>17</sup>

**Engaging for success: enhancing performance and productivity through employees who are truly engaged.**

Unipart believes in the mutual benefit to the individual and the company which results from high levels of employee engagement. We believe that engagement is a result of what happens every day in every employee's work experience. We recognise people need to clearly understand their role in the business and they need to be encouraged to give of their best and to feel proud to be part of the organisation. We seek to offer employees meaning and purpose in their everyday work and the opportunity to develop as the business develops. We believe engaged employees reduce costs, improve productivity and create more satisfied customers.

## **Recruitment and pre-employment screening**

We have a defined recruitment policy and practices which ensure the efficient and fair resourcing of roles in our business, and all our recruitment is carried out in accordance with equal opportunity law. All Unipart people who are involved with the recruitment and selection process work to these high standards, whether in a management or specialist role, or as a provider of administrative support.<sup>18</sup>

To minimise any intrusion into individual privacy we restrict pre-employment screening to that appropriate and necessary for the requirements of the role.<sup>19</sup>

We recognise in most cases a criminal record does not bar a person from work and that in most circumstances there is no obligation for an applicant to reveal a 'spent' conviction. If a spent conviction is revealed to us, it is disregarded and, in line with data protection law, information relating to it is not retained. When convictions are not spent we do not exercise a 'blanket' exclusion policy against applicants who have a criminal record. We will consult with the individual who has declared his or her conviction and will take a decision about the relevance (if any) of the offence, taking into account:

- Whether the nature of the conviction is likely to be incompatible with the job
- Whether the applicant's abilities, skills, experience and qualifications are suitable for the post
- Whether there are any risks to the company, our customers, clients or employees

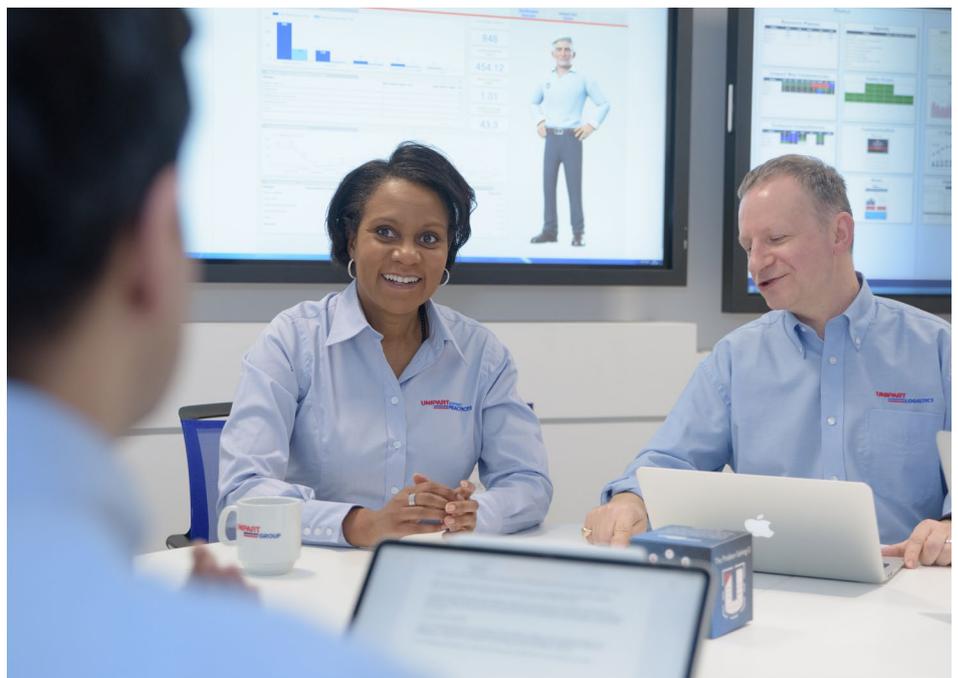
We make offers of employment or contracts for service subject to the receipt of satisfactory references and/or medical reports.<sup>20</sup>

<sup>17</sup> See Unipart Group Value Set

<sup>18</sup> See Recruitment Policy and Temporary Engagement Policy

<sup>19</sup> See Employment Eligibility and Screening Policy and Psychometric Assessment Policy

<sup>20</sup> See Health Screening Policy



# MOTIVATING EMPLOYEES (CONTINUED)

## Personal development and training

We encourage and support employees who wish to further their development through internal and external studies, which are appropriate to both their own and the company's needs.

We communicate our mission statement and strategic objectives to our employees by cascading of divisional and, where appropriate, business unit business plans. Employee training and development needs are jointly identified and agreed against the strategic aims of the company and the operational objectives of teams and individuals, as well the personal aspirations of the individual. Line managers agree personal development plans in collaboration with their employees during the appraisal process, and jointly review the plan and the individual employee's performance in the job on a regular basis, identifying further training needs as appropriate.<sup>21</sup>



## The Unipart U

The Unipart U mission is to develop, train and inspire people to achieve world-class performance within Unipart Group and amongst its stakeholders.

### Unipart U value set states:

We will strive to create and perpetuate an environment in Unipart Group and the extended enterprise where:

- Our people, by researching and improving upon best practice, strive to create the world's best lean enterprise
- A continuous state of open-mindedness and preparedness for change exists, developed by constantly extending the boundaries of individual and collective thought
- Every individual is stimulated to endeavour to reach the uppermost limit of their potential through continuous learning
- Its leaders are supremely skilled facilitators, coaches, and counsellors
- People are encouraged to share knowledge and pass on to others their personal experience and skills
- Learning and personal development are stimulating and enjoyable experiences
- Sources of knowledge and skills are equally accessible to all employees
- The development needs of every individual in the enterprise are fulfilled by the best means possible with the utmost care and respect

<sup>21</sup> See Personal Development and Training

# MOTIVATING EMPLOYEES (CONTINUED)

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## **Faculty on the floor**

Unipart's faculty on the floor is a radical concept through which employees can work on production-related problems using computer-based problem solving tools and best practice websites from training facilities located on the shop floor. The aim is to continually improve quality, increase productivity and reduce cost.

The faculty on the floor concept has been developed as a direct extension of the Unipart U, the company's own corporate university, to bring learning directly onto the shop floor. It enables individual employees to develop the key knowledge and skills they need to improve quality and productivity in their day-to-day jobs. It also enables teams to tackle production situations using problem-solving circles, and then to prove their learning by implementing new ideas or innovations on the production line.

## **The Teaching Factory and Advanced Manufacturing Engineering Centre**

Our experience is a valuable business commodity, which is why we set up 'The Teaching Factory' at one of our factories in Coventry in 2006. This concept enables us to provide hands-on lean manufacturing experience, then help participants apply learned problem-solving techniques back in the workplace. We are a true learning organisation and invest heavily in the training and development of our people so we can develop our own pipelines of talent into all levels of the organisation.

As a further development, Unipart Manufacturing has joined forces with Coventry University (supported by the Higher Education Funding Council for England's Catalyst Fund) in developing the Institute for Advanced Manufacturing and Engineering (AME).

This exciting collaboration is a UK first, establishing a new and innovative teaching environment that will create a step change in the higher education model for manufacturing engineering degree courses through enhanced activity-led learning.

AME brings together the best in academia, industry and R&D directly on the factory floor in a bid to develop new products, processes and technologies on Unipart's Coventry site.

# MOTIVATING EMPLOYEES (CONTINUED)



## Appraisal

We regularly communicate to our employees the required standards of performance and competence. We achieve this collectively through team briefings and individually through the appraisal and personal development planning process. Each individual's objectives are linked to the overall Company and business unit objectives and personal development plans are created to be appropriate to both the requirements of their role and their own career aspirations.

We believe that individuals and their line managers should have an ongoing dialogue regarding their performance that should include regular reviews and an annual formal appraisal meeting. The aims of this approach are:

- To understand, not only on what an individual has achieved, but also how they have achieved it
- To clarify and record current responsibilities and prioritise personal objectives linked to the divisional or business unit business plan
- To review and record job functions, key qualities and performance outputs
- To identify and record training and development needs and personal development plans

Our employees are responsible for:

- Instigating their appraisal
- Ensuring its completion to the required standards

Our line managers are responsible for:

- Agreeing personal objectives and personal development plans with employees
- Continuously reviewing employee performance
- Measuring and feeding back on employee achievement against both personal objectives and performance development plans<sup>22</sup>

<sup>22</sup> See Company Vehicles Guide

# MOTIVATING EMPLOYEES (CONTINUED)



## Performance management

We aim to ensure our employees succeed in maintaining a high standard of work. To achieve this, we make our employees aware of our expectations in the form of personal objectives and performance outputs and as well as the skills and capabilities required for their role. We also monitor employee performance, and give appropriate training and support.

If it appears an individual employee is struggling to achieve the required level of performance, we expect our line managers to deal with the situation; initially informally, but if required on a formal basis using our capability policy.

This will include:

- Explaining the standards required and the nature of any shortfall
- Understanding whether the failure to meet performance levels is related to a capability issue
- Revise previously set targets or expectations if they are appropriate
- Seek the individual's commitment to reaching the required standards and agree a reasonable timescale for this
- Agree what assistance may be required in order for the required standards to be met, for example training, closer supervision, counselling, seeking medical advice, or other support
- Be clear at all times what the next steps are<sup>23</sup>

## Company cars

We may provide company cars for business use or as a company benefit and we require all users of company cars to drive safely and responsibly. Regardless of vehicle type, and whether the vehicle is company-provided or privately owned or leased, those using cars on company business are responsible for ensuring the following legal requirements are fulfilled:

- The vehicle is safe and roadworthy
- The vehicle is insured (including for business use) and has a current road fund licence.
- The vehicle has a current MOT certificate (where appropriate)
- The driver has a valid driving licence and is not subject to any driving ban or restriction<sup>24</sup>

## Remuneration and reward

We have a progressive approach to remuneration and reward, which we apply in a non-discriminatory manner. We aim to provide a competitive level of compensation to attract, motivate, and retain people with the background and skills our company needs.

Annual salary reviews take into account the following factors:

- Company, divisional or business unit performance
- Inflation and cost of living
- Market rates
- Changes in responsibility

<sup>23</sup> See Capability Policy

<sup>24</sup> See Company Vehicles Guide

# MOTIVATING EMPLOYEES (CONTINUED)

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## **Secondment, transfer, and redeployment**

Temporary secondments and permanent transfers can benefit both the employee and the company. Where they are arranged we ensure full consultation takes place between the employee and the original and new line managers.<sup>25</sup>

To help us achieve our company objectives we encourage employee participation in international assignments where they are available and endeavour to ensure equal and fair treatment, avoiding any personal loss or gain for assigned employees.<sup>26</sup>

If a post is declared redundant we will seek suitable alternative work opportunities for affected employees and ensure redeployment opportunities are managed fairly.<sup>27</sup>



### **Mark In Action**

Mark In Action was launched in 1988 to support Unipart's goal of 'outstanding customer service'. The programme serves to recognise, pay tribute to, and highlight our employees' exceptional behaviour. Such behaviour is used as a benchmark and sets an example for other members of the Unipart team and their customers. We, at Unipart, are serious about recognising and celebrating our employees' achievements and thus the value and indeed significance placed on the Mark In Action campaign is still as strong, if not stronger, than when it was first launched.

Mark In Action objectives are as follows:

- To provide a vehicle to focus on the behaviours that lead to success and deliver our organisational goals
- To celebrate exceptional performance and encourage others to repeat it
- To develop a portfolio of examples of exceptional performance to enable us to share learning and experience
- To demonstrate the company's commitment to recognising the contributions of employees to deliver exceptional performance

<sup>25</sup> See Secondment Policy

<sup>26</sup> See Global Mobility Policy

<sup>27</sup> See Redeployment Policy

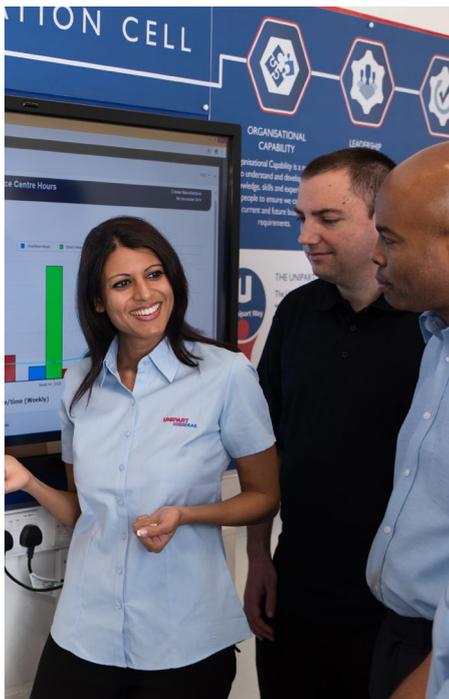
# SETTING EMPLOYEE STANDARDS

The 'Guide to Conducting Business the Unipart Way for Unipart People' defines our rules concerning the personal conduct of individual employees and all others acting in the name of the company.

All those representing our company are informed that our code of conduct applies whilst they are working on company or client premises or off-site, and whilst they are representing the company at any time during or outside working hours.

The document provides important examples which reflect our required standards of behaviour. It is communicated to all our employees when they join the company, and all are instructed that if they have any doubt about the meaning of a rule they must ask for clarification during induction training or from their line manager.<sup>28</sup>

Any actions inconsistent with the 'Guide to Conducting Business the Unipart Way for Unipart People' rules and standards of behaviour are thoroughly investigated and corrective action is taken where appropriate.<sup>29</sup>



<sup>28</sup> Conducting Business the Unipart Way for Unipart People

<sup>29</sup> See Disciplinary Policy

<sup>30</sup> See Managing Sickness Absence Policy

<sup>31</sup> See Critical Illness Policy

<sup>32</sup> See Restricted Smoking at Work Policy

## Managing sickness absence

We manage our employees' hours of work fairly and consistently.

All employees are expected to present themselves for work whenever practicable, but we recognise there may be times when employees are unable to attend work through ill health. Our management of sickness absence from work ensures fairness to employees and minimal disruption to the business.

All our employees know they have a responsibility to keep absence from work to a minimum and to raise with their line managers any issues which may affect their attendance.

Our line managers have overall responsibility for attendance management, monitoring absenteeism, and providing appropriate support.

The human resources department provides procedural guidance and advice for managers. General and medical practitioners and/or the company doctor offer expert medical guidance and provide objective support to employees with health problems.<sup>30</sup>

If an employee or his or her close relative or partner suffers from a critical illness, we provide support for our affected employee whilst being mindful of our business needs and our duty to protect and support all other employees.<sup>31</sup>

## Restricted smoking at work

To meet health and safety requirements we provide a smoke-free environment for employees in the course of their work whilst specifying designated areas for those who smoke. This includes 'vaping' and e-cigarettes. We assist employees who wish to stop smoking by making literature available, providing counselling, and offering facilities for self-help, stop-smoking groups.<sup>32</sup>

# SETTING EMPLOYEE STANDARDS (CONTINUED)

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## **Substance abuse**

We prohibit attendance at work under the influence of any substance which impairs performance or affects health and safety at work.

We promote awareness and provide procedures for the management of substance abuse in the workplace and offer additional guidance and information from the Occupational Health Department. We provide guidelines for managers on recognising the early signs of employee substance abuse. We distinguish between substance dependency and substance intoxication, and their management. As part of our health and safety communications we provide periodic information campaigns and as part of our wellbeing programmes provide information to employees to enable them to recognise the dangers of substance abuse. We encourage employees who believe they have or may be developing a substance dependency to seek confidential advice and support voluntarily from their line manager, occupational health, or the human resources department.<sup>33</sup>

<sup>33</sup> See Substance Abuse Policy

<sup>34</sup> See Mobile Phone Policy

## **Using email, the Internet, telecommunications and removable media devices**

We require responsible use of email, the Internet, telecommunications and removable media devices so as to avoid:

- Legal liability for our company or our users
- Breaches of any security practices, data management or regulations that could jeopardise the business and commercial reputation of the company, our clients, or our users
- Damage to the company's goodwill or reputation

We set standards for use of email, the Internet, and telecommunications for all our users. While being mindful of the general right of users to privacy at work, we inform our employees we may monitor the use of removable media devices and record emails and phone calls to safeguard the company's interests and for training purposes; and we automatically monitor users' access to the Internet by screening our Internet gateway for:

- Managing user access
- Monitoring the sharing of company data
- Management reporting
- Measuring usage
- Blocking access to websites that contain offensive material

## **Mobile phones**

We provide mobile telephones for those employees whose job role involves frequent travel and the need to be contacted at short notice or in an emergency, particularly by a customer or client. Standards are set for their use, and for the process of company reimbursement of any personal calls. Individuals must not drive whilst using a hand-held mobile phone or any interactive communications device.

There are numerous hazards inherent to a warehousing and manufacturing environment including warehouse transport, machinery, heavy items, and background noise. The use of mobile phones (hand-held or hands-free) in such areas is likely to distract attention and increases the risk of these hazards causing harm. Therefore, the use of mobile phones whilst on the move (driving or walking) is explicitly forbidden within warehouse and manufacturing environments.

# PROMOTING A WORK/HOME BALANCE

## Annual leave

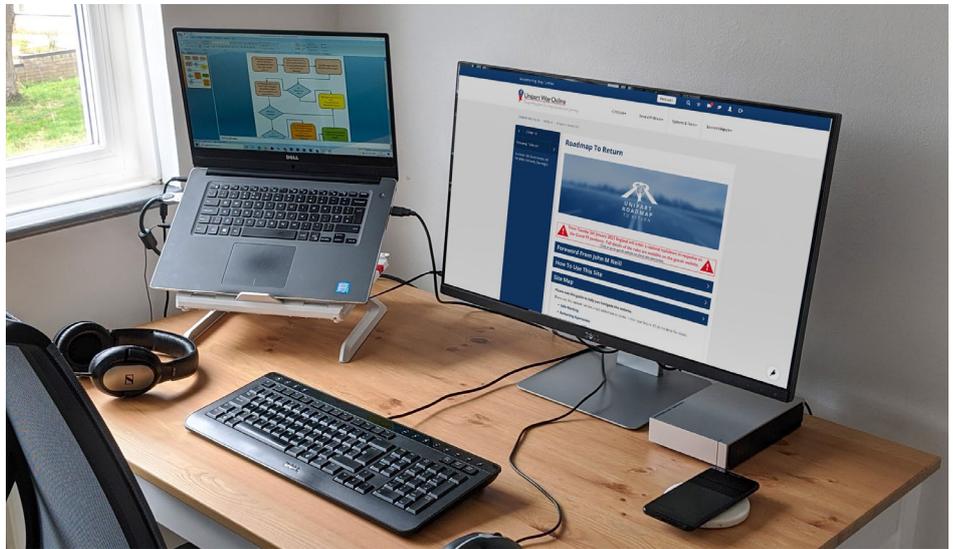
We encourage our employees to take their full annual leave entitlement so that they enjoy a healthy balance between their home life and their working life with us.

## Flexible working

We believe flexible working can support a better work/home balance for those who require it and can also support efficient business operation. We give full consideration to all applications for flexible working arrangements whether that be hours worked, when they are worked or work location, and we consult carefully over the issues raised for the individual and the business before deciding whether the request can be given a positive response. Unipart encourages all employees to adopt a responsible approach to their hours of work.

## Remote working

We facilitate home-based and field-based working, on either a long term or short term basis, where appropriate for our employees and our business and we ensure the issues of health and safety, communication, training and performance appraisal are actively managed as successfully for our remote and workers as for all our other employees.



## Public duty

Any employee who is engaged in any public duties may apply for a reasonable amount of time off to attend meetings or participate in other approved activities. Employees must ensure these activities can be exercised without any conflict of interest with their duty as an employee.

## Parental leave

We support our employees in exercising their right to take parental leave and wherever possible we accommodate such requests without requesting a postponement.

## Exceptional leave

We understand that our employees have family and personal responsibilities outside work and we offer a reasonable amount of leave to deal with unexpected incidents involving a dependant. This leave may be paid or unpaid depending on the individual circumstances. We understand bereavement affects everyone differently, and personal circumstances differ in each case. Our line managers are provided with guidelines for the sensitive management of bereavement leave.

## Maternity, paternity, shared parental and adoption leave

We respect the rights of parents to take leave in connection with the birth or adoption of their children.

## Over state retirement age

Unipart encourages applications from potential employees of all ages and bases all recruitment decisions on the best person for the role.

<sup>42</sup> See Maternity Policy, Paternity Leave Policy, Shared Parental Leave Policy and Adoption Policy

# DEALING WITH DISAPPOINTING SITUATIONS

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We will communicate clear, current, and legally-compliant employment policies to ensure fairness and transparency in our management of employees and their contribution to the company, and we provide training for those responsible for policy implementation.

## **Probationary and disciplinary action**

We believe all employees are motivated more by their responsibilities and involvement than by any fear of formal action. We also believe the majority of employees fully accept the need for our standards<sup>43</sup> and do not find any difficulty in abiding by them.

Our employees have a right to know and understand from us the required standards of conduct and behaviour, and we believe the maintenance of discipline and good working practices does not necessarily require the use of formal procedures – our managers often use counselling or informal warnings to achieve a satisfactory resolution of problems.

However, there are some employees who fail to achieve the required standards of work or conduct. For those whose employment still falls within their probationary period with the company, under-performance or misconduct is addressed through the probation policy.<sup>44</sup> For those who have successfully completed their probationary period, the matter is addressed through the disciplinary policy.<sup>45</sup>

At formal hearings our employee is:

- Told why the hearing has been arranged, and given details of the allegations
- Given the opportunity to respond to the allegations, and allowed to ask for witnesses to attend
- Offered the opportunity to be accompanied
- Informed, after adjournment, of any action to be taken

## **Employee concerns**

We expect most issues to be dealt with satisfactorily within the course of normal working relationships, where an employee's concerns and opinions can be discussed frankly and freely with their line manager.

If an employee has a concern which cannot be resolved in this way we have a grievance framework for dealing promptly and fairly with the matter, ensuring that our employees:

- Have a fair hearing of any grievance
- Have the right to take the issue to higher management where appropriate
- Have the right to appeal

We settle employee grievances as quickly as reasonably practicable and as near to their source as possible.<sup>46</sup>

<sup>43</sup> See Guide to Conducting Business the Unipart Way for Unipart People

<sup>44</sup> See Probationary Policy

<sup>45</sup> See Disciplinary Policy

<sup>46</sup> See Grievance Policy

# NOTES

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