

Freedom of Association and Collective Bargaining Policy

Purpose:	The purpose of this Policy is to demonstrate Headlam's commitment to our colleagues' right to associate with others whenever they want or need to, and to join groups where they discuss matters important to them. It also includes the right to promote and to protect the interests of the members of these groups.
Scope:	This policy applies to colleagues at the Headlam group of Companies, who work in UK Distribution, Head Office or PLC in the UK only. This Policy does not apply to agency workers or self-employed. This policy does not form part of any colleague's contract of employment.
Group or UK Only:	UK only
Issuing Department:	HR Department
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Date of Next Review (if applicable):	October 2024

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What is freedom of association?

Article 11 of the Human Rights Act is also known as "freedom of association". It is one of our most important human rights and affects every part of our lives. In employment terms, it protects colleague's rights to associate with others whenever they want or need to, and to join groups where they discuss matters important to them. It also includes the right to promote and to protect the interests of the members of these groups. Examples may include:

- Liaising with a Trade Union Representative about matters affecting them at work
- Becoming a Trade Union Representative
- Participating in or consulting with a member of the business's employee forum
- Seeking advice from other associations, such as ACAS
- Raising an issue collectively with other colleagues

This list is not exhaustive, and there are many ways that colleagues may choose to associate with other people and organisations to discuss ideas and the things that matter to them without the fear of reprisal. This is a crucial part of keeping our work lives democratic and fair.

Why is freedom of association important?

With new working models and technologies challenging the contemporary workplace, employers and colleagues need to work together to succeed.

One of the Headlam values is "working together", because we believe that through conversations and collaboration, we have a better chance of succeeding in a competitive marketplace. We believe that better connected and informed colleagues will feel more equip to have meaningful conversations with us. More widely, we see it as an important component of building a culture of trust and mutual respect within our business. Therefore, we support our colleagues' freedom to associate with other organisations, people and forums. Furthermore, we also respect the rights of any third party or organisation to carry out their activities without any interference.

How does Headlam support freedom of association?

Trade Unions

Whilst Headlam is not a unionized business, we respect colleagues' rights to be represented by Union Representatives in certain meetings e.g.: disciplinary, problem-solving, redundancy consultations, etc. We proactively remind colleagues of this right when arranging meetings, and we stress this right in all of our associated policies.

Employee Forum

At Headlam, we empower our workforce through our employee forum. Our forum consists of a cross section of colleagues and Managers from across the business who meet at least twice per year. The forum represents the views of colleagues relating to the operation and management of the Company at both a local and group level. Although we do not consult with the employee forum on issues such as pay, we do:

• Work proactively in implementing new ideas and communicating these to colleagues as well as the wider community.

- Constructively challenge standard practice at a senior level with a view to problem solving, streamlining processes, cost saving and finding better ways of working to create a better working environment for all employees.
- Consider and discuss in general terms information relating to key business decisions which may impact colleagues in their role with the Company.
- Allow feedback from colleagues to be provided to, and considered by, the Board.
- Consider, discuss and provide colleagues feedback on key business decisions including new or updated policies and procedures and assist with their communication and implementation.
- Review the results of the annual colleague survey and make suggestions for improvements based on feedback.
- Bring to the attention of senior management any items that members of the Forum feel require further investigation and discussion.

Such discussions and colleague representation means we are aligned with the needs and views of our colleagues, and helps ensure we remain committed to working collaboratively and listening to the collective voice of our colleagues. Having this line of dialogue with our colleagues via their employee forum representatives helps our workforce feel motivated by having a vested interest in setting the terms of its future. It also fully engages everyone in our business objectives.

We believe that this direct and frequent communication with our colleagues highlights the importance that Headlam places on respecting human rights and the part we can all play in creating a working environment where people are encouraged to associate with others to help us all perform at our best.

A full list of employee forum members and our terms of reference can be found <u>here</u> and colleagues are encouraged to associate with them to share ideas, suggestions and feedback, and generally to have their say about the content of our discussions during the employee forum meetings.

Colleague Collaboration

We recognise colleagues' rights to discuss any problems or concerns they have collectively. By this we mean that when colleagues with similar problems wish to raise a concern they may do so collectively, and they can nominate employee representatives to liaise directly with us on their behalf. Further information about this can be found in our Problem-Solving Policy and Procedure.

Code of Ethics

Headlam operates a Code of Ethics which sets out our expectations of suppliers, contractors and customers. Amongst other things, this acts as a vital component in the fight against modern slavery. We believe this helps demonstrate our commitment to respecting everyone's human rights.

Our commitment to our colleagues

To further demonstrate our respect and commitment for our colleagues' human rights:

• We champion the Headlam Way. This is an expression of the shared values which bring us together and by working to those values we demonstrate our commitment to not infringing on human rights.

- We have in place a number of policies and procedures which are part of our overall approach to ensure that we do not infringe on human rights. All of our employment policies are legally compliant and follow best practice in the UK.
- During 2022, we established an Executive ESG Committee and were judged by a leading sustainability adviser to have the best sustainability credentials amongst our direct peer group. Under the S and G pillars of our ESG strategy, we are focusing under S on making Headlam a great place to work with a positive impact on our local communities and under G on managing risk with robust controls and frameworks in place. Fair business, compliance, labour practices and human rights all fall under our wider ESG strategy.
- We have a robust Speak Up policy. The policy includes the promotion of an external third party "speak up line" who colleagues can make confidential disclosures to.

End of Policy