

Reed staffing services Fixed term employment contract

This contract, together with the details of your Assignment, form your terms and conditions of employment ("Contract").

You will also find an Addendum at the end of this document that outlines how we will engage with temporary workers from 2nd January 2023 onwards, which includes details about the reasons for the change, the practical effects of the change, and FAQs. Please note that this Addendum is for information purposes only, and does not form part of your Contract.

The parties to the Contract are your employer, Reed Staffing Services Limited ("we", "us", "our"), and you, our employee.

Assignment: your temporary placement with a Client.

Client: any of our customers for whom you are assigned to work. Reference to "the Client" means the Client you are currently assigned to. For the avoidance of doubt, you are not an employee of any Client.

Confidential Information: any information relating to Reed or any Client which is confidential, whether it is marked or notified as such or which you, using reasonable judgment, should be aware is confidential. Confidential Information will remain confidential, regardless of what format it is in or stored in (e.g. whether oral, documentary or electronic) and includes personal data, products and services, methods, systems, business plans or intentions, marketing methods, strategies, costs, techniques, financial plans or arrangements, employees, customers, suppliers or business connections.

Employee Handbook: the document titled Temporary Employee Handbook, which sets out Reed's policies and procedures. This is available via the XMS Portal. These policies and procedures do not form part of this Contract.

Reed: means us and/or any company within our group. A company is in our group if it shares the same ultimate holding company.

Including or includes: should be construed as without limitation to the words that follow.

General

- 1 Reed is acting as an employment business. This means that we are employing you, providing you with work finding services, placing you with any Client that wants to engage you on an Assignment, and administering your pay.
- 2 This Contract sets out the terms of the employment relationship between you and us. It begins on the first day of your first Assignment and continues until terminated as set out below. For the avoidance of doubt, this Contract will remain in force during any periods between Assignments.
- **3** We cannot guarantee that there will always be a suitable Assignment for you. You will only be paid whilst in an Assignment (including any period of paid leave), however, you will not be required to be "on call" between Assignments.



Place of work

4 As you will be working in Assignments at various Clients, you do not have a permanent work location. You may be required to work at any location in accordance with the requirements of each Assignment or as specified by us.

Hours of work

- **5** The likely duration and hours of work for each Assignment will be as notified to you before the commencement of the relevant Assignment.
- **6** You must keep us informed of your availability to work and respond to our enquiries as to availability in a timely manner, including during any period when you are not on Assignment.

Pay

- 7 You will be entitled to be paid the hourly rate for work done on an Assignment. The hourly rate will be as set out in the assignment details provided to you prior to the commencement of the relevant Assignment. The minimum hourly rate we reasonably expect to achieve is the national minimum wage (as may be amended from time to time). We will deduct appropriate income tax and national insurance contributions, as well as sums in respect of pension contributions (if appropriate) together with any other sums required by law to be deducted (including any court orders) or which you have agreed should be deducted.
- 8 You will be paid in respect of hours worked on an Assignment which have been verified by the Client. It is your responsibility to keep a record of the hours you have worked, obtain the Client's verification of such hours, and submit these to us for processing in order to be paid on time.
- **9** We will pay you for work you have done on an Assignment regardless of whether the Client has paid us in respect of such work. You will be paid weekly in arrears, following verification of the hours worked or at such other intervals, as notified to you prior to the commencement of the relevant Assignment.
- **10** We will comply with our duties under applicable auto-enrolment pensions rules. A contractingout certificate is not in force in respect of this employment.
- 11 You authorise us to deduct from your pay (which for this purpose includes payment in lieu of notice, bonus, holiday pay and sick pay) at any time all and any debt owed by you to Reed, including any loans or advances made to you by Reed, any payment made in error by Reed, or any overpayment of pension contributions, holiday pay or sick pay. In addition, you agree to repay Reed, promptly and in full, any debt owed by you to Reed.

Expenses

12 You must ensure any expenses which you intend to claim are agreed with us or the Client in advance. Expense claims must be accompanied by appropriate receipts and submitted in a timely manner.

Employee's Obligations

- **13** You confirm that all information given to Reed as to your identity, entitlement to work in the United Kingdom, experience, training, qualifications, and authorisations is true and complete. You must notify us immediately if you cease to be eligible to work in the UK.
- **14** Where Reed is required to carry out a criminal record check, you agree to register with the relevant service and give Reed permission to access your record.
- **15** You agree to cooperate fully with any vetting checks that apply to any role in which we place you.



- **16** You must notify us if any Assignment is with a Client for whom you have previously worked.
- **17** In respect of each Assignment, you must inform us immediately if you become aware of any circumstances which may make working in such Assignment detrimental to your interests or the interests of Reed and/or the Client.
- **18** You must comply with all Reed policies and procedures as set out in the Employee Handbook.
- **19** During an Assignment, you undertake:
 - a) not to engage in any conduct detrimental to the interests of Reed and/or the Client;
 - b) to be present during the times or for the total number of hours each day and/or week, as set out in the details of the Assignment;
 - c) to take all reasonable steps to safeguard your own health and safety and the health and safety of others who may be affected by your actions;
 - d) to comply with any policies, procedures, rules, or obligations implemented by Reed and the Client;
 - e) to comply with all lawful and reasonable instructions and requests, within the scope of your Assignment, by Reed and the Client;
 - f) to perform all work under the Assignment using all reasonable skill and care; and
 - g) to act in a professional manner, to dress appropriately, to wear or produce any form of ID required, and to observe all applicable laws and regulations.

Holidays and Working Time

- **20** You are entitled to statutory paid annual leave. You have no other entitlement to payment for holidays (including bank/public holidays) or for other absences, other than any statutory entitlements.
- 21 Your leave year will begin on 1st January.
- 22 You will be informed on your payslip of the number of hours of paid leave which you have accrued, and the rate at which this will be paid. You may only take paid annual leave at such time and for such duration as you have accrued. You must repay on demand any payment made by us for annual leave which is more than that which you have accrued. You agree that we may deduct any such overpayment from any sum owed to you at any time.
- 23 You may apply to take unpaid leave subject to prior written agreement by us.
- **24** You are not permitted to carry forward any accrued leave from one leave year to another. Since this Contract remains in force between Assignments, no payment in lieu of any accrued annual leave will be made on termination of an Assignment. A payment in lieu of any accrued annual leave will only be made when this Contract is ended.
- **25** You are required to give a minimum of two weeks' notice to take paid annual leave. For the avoidance of doubt, such notice must be given even when you are not on an Assignment. We reserve the right to refuse permission for you to take annual leave.
- **26** It is your responsibility to notify us of hours worked other than for us if you exceed or are likely to exceed a maximum of:
 - 48 hours working time per week, and/or
 - eight hours working time between the hours of 10.00 pm and 7.00 am.



Confidential information

- **27** You acknowledge that you will have access to Confidential Information during this employment and your Assignments. You undertake to keep all such Confidential Information in the strictest confidence and not to disclose such information to anyone (unless it is in the proper performance of an Assignment or with the prior written consent of Reed or the Client) during or after the end of this Contract.
- **28** You may be required to sign a confidentiality undertaking by Reed and/or the Client. You acknowledge that failure to do so may result in withdrawal from or termination of the relevant Assignment.

Data Protection

- 29 Reed will collect and process your personal data in accordance with its Privacy Notice.
- **30** You must comply with the Client's data protection policy when handling personal data in the course of an Assignment.

Failure to comply with such policy may result in termination of the relevant Assignment, be dealt with under our disciplinary procedure and, in serious cases, may be treated as gross misconduct leading to summary dismissal.

Intellectual Property

31 You accept that any intellectual property right created or developed in connection with work done on an Assignment will belong to Reed or the Client, as appropriate. You agree (i) that all such intellectual property rights will be assigned automatically to Reed or the Client, as appropriate; (ii) not to assert, exercise or claim any such intellectual property rights (including, without limitation, moral rights); (iii) to hand over to Reed or the Client all documents and other materials created or developed whilst on Assignment; and (iv) if requested, to execute an intellectual property assignment agreement in favour of Reed or the Client and do such other things as may be necessary to vest such intellectual property rights in Reed or the Client.

Reed Discount Club

32 If you opt in, you will become a member of the Reed Discount Club (the "Club") during such periods as you are paying a subscription fee to the Club. Accordingly, you authorise Reed to deduct from your net weekly pay the subscription fee (which will be notified in advance) and to pay the same to the Club. Reed reserves the right to amend or vary the Club benefits and terms and to withdraw or terminate the Club without payment of compensation.

Grievances, Disciplinaries and Sickness Absence

- **33** If you have a grievance in connection with your employment, you should present such grievance in accordance with the Grievance Policy and Procedure set out in the Employee Handbook.
- **34** If your conduct or performance gives cause for concern, this could result in you being subject to disciplinary action in accordance with the Disciplinary Policy and Procedure set out in the Employee Handbook.
- **35** If you are unable to work due to sickness or injury, you should refer to the provisions regarding sickness absence set out in the Employee Handbook.



Termination

- **36** This contract will automatically terminate on 1 January 2023 without notice. You acknowledge that an Assignment may be ended at any time and without reasons being given. For the avoidance of doubt, and unless notified otherwise, the ending of an Assignment does not affect the continuity of your employment with us.
- **37** If you have been continuously employed for one month or more, notice of termination of employment prior to 1 January 2023 must be given as follows:

37.1 Termination by us:

We will give:

- a) two weeks' notice if your period of continuous employment is less than two years;
- b) three weeks' notice if your period of continuous employment is more than two years but less than three years;
- c) one additional week for each additional year of continuous employment up to a maximum of thirteen weeks.

37.2 Termination by you:

You must give not less than one week's notice of termination of employment. If you give notice of more than one week, we will be entitled to treat that as one week's notice.

- **38** Whether notice of termination is served by you or us, we may, in our sole and absolute discretion, make a payment in lieu of notice.
- **39** We will be entitled to dismiss you at any time without notice if you commit a serious breach of your obligations or duties as an employee (and for this purpose you will have similar duties to the Client whilst on Assignment), or cease to be eligible to work in the United Kingdom.
- 40 On termination of your employment (or on demand), you must:
 - a) immediately return all property belonging to Reed and/or any Client;
 - b) irretrievably delete or destroy any Confidential Information; and
 - c) provide a signed statement that you have complied fully with the obligations under this paragraph together with such reasonable evidence of compliance as we may request.

Changes to Terms of Employment

41 Reed reserves the right to make reasonable changes to these terms of employment at any time.

Governing Law and Jurisdiction

- **42** This Contract is governed by and interpreted in accordance with the laws of Northern Ireland.
- **43** The parties agree that the courts of Northern Ireland will have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).

Remote Working Outside the UK

44 If you wish to perform your Assignment outside the UK ("working abroad"), you must submit a request to us at least four weeks in advance of the date that you wish to start working abroad. You acknowledge that approval of your request is at our sole and absolute discretion.



- **45** If we and the Client agree to you working abroad, you are responsible for checking your eligibility to work in the relevant country and arranging and paying for any visas, permission to work, and accommodation.
- **46** You are liable for any additional income taxes and/or employee social security contributions which may be applicable in the relevant country and you authorise us to make additional deductions or seek reimbursements, if necessary, for this purpose. You are responsible for any personal tax declarations that may need to be made.
- **47** You warrant that (i) you can perform your Assignment effectively and lawfully; (ii) you have not and will not be in the relevant country in excess of 183 days in any rolling 3 year period; (iii) you will not do any work other than work in the course of your Assignment; and (iv) you will not process any personal data in the course of your Assignment.
- **48** You agree that you are responsible for ensuring that you are able to work effectively, including having the necessary technology, equipment and furniture in place.
- **49** You accept that you are working abroad at your own risk and that we will not be liable for any loss or injury you suffer due to your request being approved.
- **50** You must comply with all applicable laws and regulations, including health and safety, both in the relevant country and the United Kingdom.
- **51** You acknowledge that this Contract remains subject to the laws of Northern Ireland and the jurisdiction of the courts of Northern Ireland.



REED STAFFING SERVICES FIXED TERM EMPLOYMENT CONTRACT

ADDENDUM

Welcome to Reed. I recently wrote to our temporary workers to inform them about some proposals we intend to make to the contracts that we offer to Reed's temporary workers. Although you have joined us on a fixed term contract after this consultation process has ended, I want to explain why this was being proposed and what it means to you.

For some years, we have engaged our temporary workers on contracts of employment, but we are now proposing to change this, so that we engage them on a contract for services arrangement. As such, I am writing to explain the reasons for the change and explain what this means to you.

Reasons for the change:

For some years, we have engaged our temporary workers on contracts of employment. Over time, it has become the industry norm for recruitment agencies to engage their temporary workers under a contract for services, as it is felt that such a model is more appropriate to flexible working arrangements. This trend means that Reed is now an outlier within the industry. This has never previously been a concern to us, however, in recent years we have encountered more and more problems because various client contracts and framework agreements are being written such that they apply only to a model whereby the temporary workers are engaged under contracts for services. Clearly, we don't want Reed to be disqualified from working with clients who operate in this way, as we want to be able to offer as many opportunities to our temporary workers as possible. We believe that these are substantial reasons, and so we feel that we must make this change.

What this means to you:

You are currently employed on a fixed term contract which is due to end on the 1st of January 2023. If you are due to continue working in an assignment after that date, then it is important to note that this change will not impact your assignment length or pay rate, or your rights as a worker to key benefits such as paid holiday, pension contributions, statutory sick pay, maternity, paternity, and adoption pay. Indeed, this contract change doesn't impact any of these things moving forwards at all. Whenever Reed takes an assignment, the pay rate is agreed with the client and paid to the temporary worker, and none of this will change.

When your current fixed term contract ends on the 1st of January 2023, you will be offered the opportunity to be engaged on a new contract for services. This will govern all temporary work undertaken after that date. Continuing with, or starting, an assignment after the transition date will signify your acceptance of the new contract and so there will be no need for any action from you.

You will also continue to have access to benefits such as the Reed Discount Club and the Health Cash Plan, which will continue to be offered to you as they are now.

Any uplifts due after 12 weeks, in line with the Agency Worker Regulations (AWR), are also unaffected by this contract change. Furthermore, you will also continue to be a PAYE worker and so we will continue to deal with tax and national insurance relating to your assignments on your behalf.

Essentially, our aim is for the transition to contracts for services to be seamless, such that you are unaffected. There are, however, subtle differences between being employed and being engaged on a contract for services, so we have put together a simple Frequently Asked Questions (FAQ) document that can be viewed <u>here</u>. If you have any queries or concerns about this change, please speak to your consultant.



An example of the new contract for services can be viewed <u>here</u> and we have also written an example of an updated handbook for our temporary workers, which can be found <u>here</u>.

May I take this opportunity to thank you for the ongoing work that you do through Reed. I thank you for understanding Reed's reasons for this change and I can assure you that we will continue supporting you with your work and career moving forwards. Once again, I emphasise that the change will not affect your assignment or your pay rate, but if you do have any queries or concerns, please direct these to your consultant.

Yours sincerely

Ian Nicholas

Global Managing Director



Transition to a 'Contract for Services' - Frequently Asked Questions (FAQ)

1 Will this change impact my pay rate?

No. Your pay rate is agreed with the client and will remain unchanged.

2 Will this change impact the way in which I am paid?

No. Reed will continue to pay you via our payroll upon receipt of authorised timesheets in exactly the same way that you are used to.

3 Will there be any change to the temporary worker's handbook?

Yes. We have written a new document for our temporary workers to provide guidance and details of engagement. This has been made available to you and you should feel free to ask any questions that you have relating to it.

4 Will this change impact upon my pension contributions?

No. Reed will continue to operate via the NEST pension scheme, for those eligible, in exactly the same way that you are used to. If you are on a variant scheme to NEST due to historical reasons, these will also continue as is.

5 Will this change impact upon any other benefits?

No. Your entitlement to benefits such as holiday pay, statutory sick pay, maternity, paternity and adoption pay, if eligible, are all unchanged by this contract change.

In addition, we will continue to provide access to the Reed Discount Club and the Health Cash Plan for those who wish to take up these additional benefits.

6 Will I still be covered by AWR?

Yes. Any uplifts due after 12 weeks, in line with the Agency Worker Regulations (AWR), are also unaffected by this contract change.

7 How will disciplinary and grievance processes be handled?

Whilst under a contract of employment, Reed has handled such matters because you have been employed by us. Under a contract for services, you will no longer be our employee and so this situation changes and Reed will not be responsible for conducting disciplinary and/or grievance proceedings.

We have considered this situation carefully and concluded that not much will change in practice. Where a client is unhappy with our temporary worker, the outcome is normally either (a) the concerns are addressed such that the client is happy and the assignment continues, or (b) the temporary worker ceases to work with the client and we endeavour to find them a more suitable assignment elsewhere. Similarly, where a temporary worker is unhappy with a client, then either (a) the client listens to the concerns and accommodates changes to resolve them, or (b) the temporary worker chooses to move assignments. In either case, all that Reed can do is liaise between the client and worker to try and resolve matters satisfactorily, and that's what we will continue to do.



8 Claims for unfair dismissal and/or redundancy pay

An employee is entitled to claim unfair dismissal or redundancy pay where an employer terminates their contract of employment, provided the length of employment has been longer than two years. These rights are not available to a worker who is engaged under a contract for services.

Again, we have considered this situation carefully and concluded that nothing will change in practice, bearing in mind the termination of an assignment does not mean the end of the relationship between Reed and a temporary worker. Generally, it is not in Reed's interests to terminate its relationship with a temporary worker, as we would always wish to seek to engage them on a suitable assignment. In other words, whenever an assignment ends, we would seek to provide alternative options rather than terminating the relationship, and we will continue to do this moving forwards.

9 How will this affect me if I am on maternity leave?

If you are on maternity leave at the point you are moved to a contract for service, you will continue to receive any statutory payments that are due; as well as continuing to accrue any eligible holiday. As and when you are ready to come back to work, just let us know and we will look for your next assignment.

10 What is meant by the terms 'employee' and 'worker'?

With respect to the issue of employment status, you will be classed as a 'worker' as opposed to an 'employee'. On this basis, and as outlined in our previous communications, you will retain numerous legal rights including those relating to National Minimum Wage, paid holiday, statutory payments (such as SSP and maternity/adoption pay) and protection against unlawful discrimination. Whilst you will lose the rights in relation to unfair dismissal and redundancy, we have considered this carefully and concluded that nothing will change in practice, as explained in Q8 of this FAQ.

11 Who will be my employer under a contract for services?

Given you will be classed as a 'worker' as opposed to an 'employee', you will not have an employer in the traditional sense. Reed will continue to act as your agency and provide you with work-finding services, whereas the client will continue to manage all aspects of your assignment and work for them. From this perspective, not much will change in practice as Reed is, and always has been, your agency and you have always been a temporary agency worker. This means we will continue to engage you for the purpose of placing you in assignments with our clients.

12 Is it possible to remain PAYE, and for you to continue to deduct income tax and NI if I am no longer an employee?

Yes, Reed will continue to process PAYE and NI just as we do now.

13 Would it still be possible to paid furlough under a Contract for Services?

Other agencies who engaged their temporary workers under a Contract for Services model were able to furlough them through Covid in 2020; however, we would not be able to confirm this for the future, should the need to furlough arise, as this would be based on the government guidelines issued at that time.



14 Will I be liable for additional insurance costs under a Contract for Services?

The insurance provisions relating to temporary workers under a contract for services will not differ from those provisions provided to temporary employees working under a contract of employment. Essentially, whatever cover is in place now will continue when the move to contract for services is enacted. Therefore, the majority of incidents should be covered under the client's insurance provisions (i.e. public liability insurance and commercial building/contents insurance). Temporary workers are reminded that despite this, they should always take reasonable care as causing injury or damage can lead to their assignment being terminated and potentially other liabilities, depending on the circumstances. Reed's own public liability insurance does not cover temporary workers who are under the supervision and control of the client – and this applies equally to temporary workers whether under contracts of employment or for services.

15 What happens if I don't want to move to a Contract for Services?

All current contract of employments will end on 1st January 2023 and workers will then be reengaged on 2nd January 2023 under a contract for services. At that point, in the event that an individual does not wish to be engaged on a contract for services, they are free to withdraw their services.

16 Given the move from 'employee' to 'worker' status, will Reed still be able to provide me with a mortgage reference?

Yes. As Reed will continue to process PAYE obligations and provide work-finding services, we will be able to provide confirmation, as we did under a contract of employment, of your current assignment duration and pay rate. You will also continue to receive payslips from Reed to be used as proof of earnings.