



# ARO HANDBOOK

## IMPORTANT NOTICE

AT ASSOCIATED RETAIL OPERATIONS (THE COMPANY), NEITHER THE EMPLOYEE (TEAM MEMBER) NOR THE COMPANY IS COMMITTED TO AN EMPLOYMENT RELATIONSHIP FOR A FIXED PERIOD OF TIME. EMPLOYMENT WITH THE COMPANY IS AT-WILL. EITHER THE EMPLOYEE OR MANAGEMENT HAS THE RIGHT TO TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON. THE LANGUAGE USED IN THIS HANDBOOK AND ANY VERBAL STATEMENTS BY MANAGEMENT ARE NOT INTENDED TO CONSTITUTE A CONTRACT OF EMPLOYMENT, EITHER EXPRESSED OR IMPLIED, NOR IS THERE A GUARANTEE OF EMPLOYMENT FOR ANY SPECIFIC DURATION. NO REPRESENTATIVE OF THE COMPANY, OTHER THAN THE PRESIDENT AND THE CHAIR OF THE BOARD HAS AUTHORITY TO ENTER INTO AN AGREEMENT OF EMPLOYMENT FOR ANY SPECIFIED PERIOD AND SUCH AGREEMENT MUST BE IN WRITING, SIGNED BY THE PRESIDENT, CHAIR OF THE BOARD AND THE EMPLOYEE.

THE CONTENTS OF THIS HANDBOOK ARE SUMMARY GUIDELINES FOR EMPLOYEES AND THEREFORE ARE NOT ALL INCLUSIVE. THIS HANDBOOK SUPERSEDES ALL PREVIOUSLY ISSUED EDITIONS. EXCEPT FOR THE AT-WILL NATURE OF THE EMPLOYMENT, THE COMPANY RESERVES THE RIGHT TO SUSPEND, TERMINATE, INTERPRET, OR CHANGE ANY OR ALL OF THE GUIDELINES MENTIONED, ALONG WITH ANY OTHER PROCEDURES, PRACTICES, BENEFITS, OR OTHER PROGRAMS OF THE COMPANY. THESE CHANGES MAY OCCUR AT ANY TIME, WITH OR WITHOUT NOTICE.

THIS SUMMARY IS INTENDED FOR INFORMATIONAL PURPOSES ONLY. ALL BENEFITS ARE PROVIDED AT THE SOLE DISCRETION OF THE COMPANY, AND MAY BE MODIFIED OR DISCONTINUED WITHOUT ANY PRIOR NOTICE OR WARNING. THE FOLLOWING INFORMATION IS FOR GENERAL EMPLOYEE USE. AS LAWS VARY FROM STATE TO STATE, CERTAIN ISSUES BASED ON STATE LAW NEED TO BE ADDRESSED. FOR ADDITIONAL INFORMATION, PLEASE CONTACT HUMAN RESOURCES.

IF THERE IS A CONFLICT BETWEEN A HANDBOOK AND A UNION CONTRACT CLAUSE, THE UNION CONTRACT PROVISIONS GOVERN.

### Updates

*Changes regularly occur in policy and procedure. You are encouraged to check for the latest, most up-to-date policy information accessible through your My Information Center (MIC) link. Please contact Team Services/Human Resources (HR) if you need assistance connecting to your MIC link.*

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## Welcome

We are excited to have you join our team! Our team consists of five (5) banners that make up ARO including Macey's, Lin's, Dan's, Dick's Market, and Fresh Market. This document is your initial guide to behavior while employed by the Company. As you read, take time to consider how you can personally incorporate these expectations. Understand that policies and procedures are just words unless supported by action. Your actions need to reflect the best interests of the Company, your teammates, and our guests.

## Our Mission Is:

**Enriching lives, one grocer, one family, one meal at a time**

## Core Values

When you work for the Company your actions and behavior are guided by core values. The success of our Company has been built upon our core values and they are essential to our success. Our values define who we are and how we perform every day. No matter who you are or where you work at the Company, these values are what we all have in common. Each value has a set of desirable behaviors that, if followed, help each team member align easily and consistently with the mission of our Company.

- **Passion**
  - We display an internal fire, excitement, initiative, humble confidence and a desire to win. We are driven, resilient, positive, and look for innovative, win-win solutions.
- **Fun**
  - We display enthusiasm and enjoy work, achievement, random acts of kindness, and building friendships.
- **Accountability**
  - We display dependability, responsibility, and ownership in success and mistakes. We have a sense of obligation and seek opportunities to improve.
- **Integrity**
  - We display honesty, transparency, trust, character, and ethics.
- **Teamwork**
  - We display respect, good communication, and a commitment to commonly held goals and standards.
- **Heart**
  - We display empathy, compassion, and desire for the success of others. We are genuine, loving, and sincere.

## Compass for Excellence

The compass represents our service standards. It serves as a filter to ensure the highest standards in everything we do as we serve our guests. The four principles on the compass help guide us to make decisions more easily and consistently with the success of our Company in mind. You can remember the fundamental principles by visualizing our Compass for Excellence. Decisions you make daily should be filtered through the Compass for Excellence.

- **Safety**
  - At the Company, personal safety is our first priority as is the security of our team members' and retailers' opportunity for continued success. Safety also includes how we care for the quality products and services the Company provides. Finally, safety encompasses the protection of our Company's assets and resources and maintaining a clean workplace.
- **Courtesy**
  - The Company will succeed by treating everyone with dignity and respect. Team members embrace diversity and each other's differences. We accept responsibility for, and value what we learn from our mistakes. The Company endorses an "open-door" policy to encourage new ideas and foster direct, but respectful communication.
- **Experience**
  - The Company's team members and retailers are dedicated to exceeding expectations. As team members and retailers exceed expectations, growth and development opportunities arise. By understanding and performing their roles, and allowing others the same opportunity, team members and retailers will succeed individually and collectively through mutual support.
- **Efficiency**
  - At the Company, genuine teamwork generates accomplishment. Our search for ways to improve never stops. We believe efficiency is built upon a foundation of value, not necessarily the lowest cost. Efficiency also refers to meaningful daily achievement and balance of work, family, friends, and self.

## Behavioral Guidance

We believe the Company's team members are also interested in accepting and abiding by universally accepted behavioral standards. These simple, common-sense actions taken by individuals make the day-to-day work environment better for all.

- Do what you are supposed to do
- Don't do what you are not supposed to do
- Treat others with dignity and respect
- Act in a manner consistent with a professional environment
- Take pride and respect property

At the Company, our Core Values, Compass for Excellence, and Behavioral Guidance are the critical guides for making decisions and determining our actions in how we treat our retailers, guests, and each other. As we embrace these foundations, we help the Company achieve its mission.

## Guest Services

At the Company, we want to be recognized for providing our guests with extraordinary service. In order to accomplish this, our team members must have the reputation of being the friendliest, most courteous, and enthusiastic team members in any supermarket. We expect you to treat the guests as you would a special guest. Your first priority must be to make them feel welcome and comfortable in our stores. Language, other communications and behavior should always be professional and appropriate.

## Employment

### Employment-at-Will: Utah and Nevada

Employment with the Company is on an at-will basis. This means that the employment relationship may be terminated by either the team member or the Company at any time, with or without notice or reason, unless expressly prohibited by law. Nothing in this handbook or in any document or statement other than written bargaining agreements shall limit the right to terminate employment at-will. No manager, supervisor, or team member of the Company has any authority to enter into any agreement for employment for any specified period or to make any agreement for employment other than at-will. Only the president of the Company and chair of the board has the authority to make any such agreement and then, only in writing.

Statements of specific grounds for termination set forth in this manual or elsewhere are not all inclusive and are not intended to restrict the Company's right to terminate at will.

### Definitions of Employment Status

The following terms will be used to describe the classification of team members and their employment status:

- **Regular Full-Time Status**
  - Is defined as averaging thirty (30) or more hours per workweek and full-time team members are eligible for most Company benefits.
- **Regular Part-Time Status**
  - Is defined as averaging a minimum of twenty-four (24) but less than 30 hours per workweek and part-time team members are eligible for some, but not all, Company benefits. Part-Time team members who work less than twenty-four (24) hours per workweek, are not eligible for benefits accruals.
- **Casual Status**
  - Is used for seasonal or sporadically utilized team members. Because of the nature of casual work, individuals in this classification are not eligible for any benefits or benefits accruals.

## Equal Employment Opportunity/Unlawful Harassment/Other Accommodation

### No Discrimination

The Company is dedicated to the principles of equal employment opportunity and endeavors to provide an environment at its facilities wherein human dignity prevails. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

We prohibit unlawful discrimination against applicants or team members on the basis of age, race, sex (including pregnancy, childbirth, pregnancy-related conditions, breastfeeding, or medical conditions related to breastfeeding), color, religion, national origin, disability, military status, genetic information, sexual orientation, gender identity or any other class or expression protected by applicable state or local law. This prohibition includes unlawful harassment based on any of these protected classes. Unlawful



harassment includes verbal or physical conduct which has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. This policy applies to all team members, including managers, supervisors, co-workers, and non-team members such as guests, clients, vendors, consultants, etc.

For team members in Nevada, the Company also complies with the Nevada law that restricts the circumstances under which employers can request or consider a consumer credit report or other credit information when evaluating a prospective or current team member and prohibits unlawful discrimination against applicants or team members based on HIV/AIDS, legal use of lawful products outside of work, National Guard membership, and use of a service animal.

All team members are expected to treat each other with courtesy, respect, and professionalism.

### Religious and Other Accommodations

The Company provides reasonable accommodations for team members whose religious belief, practice, or observance conflicts with a workplace requirement unless doing so would result in an undue hardship to the Company. The Company provides reasonable accommodations for team members based on gender identity in dress/grooming standards and facilities and for team members based on pregnancy, childbirth, breastfeeding, or related conditions, unless doing so would result in an undue hardship to the Company. Team members needing such accommodation are instructed to contact their supervisor or Team Services (HR) immediately.

### Sexual Harassment

The Company strongly opposes sexual harassment and inappropriate sexual conduct. Sexual harassment includes, but is not limited to, (a) unwelcome sexual advances, requests for sexual favors and other offensive conduct that is either sexual in nature or directed at someone because of their gender, or (b) any time that submission to such conduct is made explicitly a term or condition of employment. Sexual harassment occurs when submission to or rejection of unwanted sexual conduct is used as the basis for employment decisions, or when unwelcome sexual conduct has the purpose or effect of substantially interfering with an individual's work performance or creates an intimidating, offensive, or hostile working environment.

All Team members are always expected to conduct themselves in a professional and businesslike manner. Harassment, whether sexual or based on the other protected classes listed above, may take many forms including but not limited to:

- **Verbal Conduct**
  - Derogatory jokes, comments, or conversations that could be perceived as inappropriate, name calling, innuendos, demeaning slurs, unwanted sexual advances, demands of any kind or any threat, regardless of whether the act is carried through.
- **Visual Conduct**
  - Leering, gestures, derogatory or sexually oriented posters or pictures, photography, cartoons, drawings, graffiti, electronic images, or electronic messages, whether they were meant to be seen by another party or not. Under no circumstances should materials of this nature be viewed, kept or displayed anywhere on Company property or with Company equipment.

- **Physical Conduct**

- Offensive and unwelcome touching of any kind including assault. Blocking of normal movement or interfering with work. Violent acts causing harm to others or any property. All threats, regardless of whether the act is carried through.

- **Threats/Demands**

- To require someone to submit to requests, whether sexual in nature or not, as a condition of employment or employment decisions.

### Addressing Harassment

If you experience or observe such conduct, tell the person that the behavior is offensive and that you want it to stop. If you are uncomfortable addressing the harasser or are unsuccessful in convincing them to stop, follow the complaint procedure.

### Complaint and Resolution Procedure

Team members who have experienced or witnessed prohibited discrimination or harassment by another team member, a member of management, a guest, vendor or anyone doing business with the Company, are encouraged to come forward, with a timely report so the Company can investigate and correct any behavior that may be in violation of this policy.

Report the incident or situation to your Supervisor, Manager, Director, or a Team Services (HR) department representative. Reports to management require collaboration with a member of the Team Services (HR) department staff who will investigate the matter and take appropriate corrective action to resolve discrimination and harassment issues within the Company.

Our Company recognizes that the issue of whether discrimination, harassment or sexual harassment has occurred requires a factual determination based on a fair review of facts and evidence. Reports of alleged discrimination and harassment are treated as discreetly and confidentially as possible.

The Company prohibits retaliation against any employee for filing a complaint under this policy or for participating in an investigation. If you believe there has been a violation of our policy or our retaliation standard, you should notify a Team Services (HR) department representative.

Team members who are found to have discriminated or harassed a guest, team member, vendor or anyone doing business with our Company, will be in direct violation of this policy, and will be subject to disciplinary action up to and including termination.

### Disability and Accommodation Policy

The Americans with Disabilities Act (“ADA”) and the ADA Amendments Act (“ADAAA”) are federal laws that prohibit discrimination against individuals with disabilities in all areas of public life, including jobs and employment. Among other things, the purpose of these laws is to make sure that people with disabilities have the right to be free from discrimination based on those disabilities and have the same rights and opportunities as other team members and job applicants without disabilities. Under these laws, the Company may be required to provide reasonable accommodations to applicants and team members with disabilities who are otherwise qualified for a job so that they can perform the essential job duties of the job position, unless doing so would cause an “undue hardship” on the Company.

It is the policy of the Company to comply with all federal and state laws concerning the employment of persons, including the ADA and the ADAAA. Team members have the right to be free from discrimination based on disabilities recognized under the ADA and ADAAA, and the Company will not discriminate against qualified individuals with disabilities regarding recruitment, pay, hiring, firing, promotion, job assignments, training, leave, lay-off, benefits, and all other employment related activities. The ADA prohibits an employer from retaliating against an applicant or team member for asserting their rights under the ADA.

Generally, a team member with a disability must inform the Company that an accommodation is needed for the team member to perform the essential functions of his or her job. Under the ADA, the Company and such team member must then engage in an informal interactive process to clarify what the team member needs and identify whether an effective reasonable accommodation can be made. If the disability or the need for an accommodation is not obvious, the Company may ask for more information, including documentation to establish that the team member has a disability and that it necessitates a reasonable accommodation.

The Company may require that such documentation come from a qualified health care professional. The Company may also consider and propose other accommodations, if the accommodation is effective, meaning it provides the team member with an opportunity to perform the essential functions of his or her job. The Company is not required to provide an accommodation if doing so would result in an “undue hardship” to the Company or cause a direct threat to health or safety.

All team members are required to comply with the Company’s safety standards. Current team members who pose a direct threat to the health or safety of themselves, other individuals in the workplace, guests, or the public may be placed on leave until an organizational decision has been made regarding the team member’s immediate employment situation. Team members who are currently using illegal drugs are excluded from coverage under the ADA and the Company’s ADA policy.

Questions about this policy or requests for accommodation should be made through management working with a Team Services (HR) department representative.

### Complaint Procedure

Team members have the right to be free from retaliation for reporting or opposing discriminatory behavior in violation of the ADA. Team members who believe they have been subject to any such discriminatory or retaliatory behavior in violation of the ADA, whether actual or threatened, should immediately report the situation by notifying their supervisor, a member of the Company’s senior management group, or a Team Services (HR) representative.

Although addressing ADA issues with your direct management chain is recommended, team members do not have to report using their normal chain of command. Accommodation requests, discriminatory behavior and retaliation related to ADA can also be addressed through the following individuals:

Name	Title	Phone	Location
<b>Leisa Vineyard</b>	HR Generalist	801-978-8628	ARO Corporate – Retail Stores
<b>Lauri Rainey</b>	HR Manager	801-978-8377	ARO Corporate – Retail Stores
<i>If needed, additional support is available through:</i>			
<b>Tim Conner</b>	VP of HR	801-978-8985	All Areas
<b>Justin Atwater</b>	In-House Counsel	801-913-0258	All Areas

## Conflict of Interest

It is a policy of the Company that a team member must not engage in activities where personal interests conflict with the interests of the Company. Given the changing nature of our business, conflicts of interests or even the perception of a conflict can change over time. Check with your supervisor or Team Services (HR) for any questions concerning, or interpretations of, a potential conflict of interest.

This policy is designed to prevent conflicts of interest from interfering with any team member's ability to make decisions in the best interest of the Company. The definition of "personal interest" includes any interest, financial or otherwise, that would influence a judgment or decision to the benefit of another party dealing with the Company.

No team member or team member's immediate family shall accept from an actual or prospective customer or supplier any service, product, compensation, gift, advance, loan, or other favor which is of consequential value. Team members must notify management prior to engaging any vendor or service provider in a personal service arrangement or in any activity that benefits the team member. Team members should obtain approval from management prior to accepting a position as a member of the board of directors of an organization. The team member's manager should be informed first. The manager will make additional contacts within the Company up to the President/CEO level as needed. Under no circumstances should a gift or entertainment be accepted which could influence your judgment.

### Team members must not:

- Be employed outside the Company as an officer, partner or consultant or own a substantial interest in any business that competes with the Company, provides products or services to the Company or seeks to provide products or services to the Company without the prior approval of the President/CEO.
- Engage in outside business which would conflict with the team member's work schedule, including overtime, or the performance of Company assignments.
- Use Company time, materials, information or other assets in connection with outside employment or other personal interests.
- Directly or indirectly benefit, or seek to benefit, from his or her position as a team member from any sale, purchase, and financial activity of the Company or leveraging vendor relationships for personal gain.

- Utilize for personal purposes and/or the financial gain of themselves or others, any confidential, proprietary, or inside information concerning the Company.
- Donate or give away product belonging to the Company, whether outdated, damaged, or undamaged to outside organizations with which they have any personal involvement. It is strictly prohibited to donate product to any outside organization other than the ones that have been established by the Company without the proper approval of a member of the Executive Staff.

Team members employed by member stores in any management position or in any position in which product is directly ordered by a Company team member should notify the Team Services (HR) department immediately. If it is determined a conflict of interest exists, team members may be required to adjust accordingly.

## Conduct, Discipline and Termination

Occasionally, the actions or behavior of a team member may require corrective action or discipline up to and including termination. Discipline is intended to help team members identify and correct problems. Certain conduct cannot be tolerated, both for the good of the organization and other team members. Disciplinary action may include informal counseling, formal reprimand, written reprimand, probation, suspension without pay, and/or termination. The Company's management takes action, which in its opinion, seems appropriate based on its judgment of the seriousness of the offense, the offender's prior work record, and other relevant circumstances.

Unacceptable behavior will lead to disciplinary action, up to and including termination of employment. This is true for any unacceptable behavior, even if the team member is away from the Company premises, if the behavior harms the Company's reputation or product; renders a team member unable to perform their duties or to appear at work.

As a team member of the Company, there are certain rules which the Company expects you to observe. The list of rules below is exemplary, is not all-inclusive and does not reflect every circumstance that may result in disciplinary action. Some infractions are more serious than others and may result in immediate termination. **Such rule infractions include, but are not limited to:**

- Dishonesty in any form, including falsification of documents, manipulation of timekeeping records, and providing misleading or false information
- Disclosing confidential Company information
- Theft, embezzlement, and other forms of dishonesty (including but not limited to shoplifting, sweet hearting, over sampling, abuse of our team rewards programs, etc.)
- Inappropriate or unauthorized use of Company products, property, and/or services
- Fighting, threatening, harassing, intimidating, or coercing others
- Lewd or vulgar behavior, excessive use of profane, obscene, or abusive language
- Conduct contrary to enhancing a team environment
- Conduct which may adversely affect work performance, safety, business operations, or the Company's reputation in the community
- Creating a hostile, offensive, or intimidating work environment
- Retaliation of any type against team members or the Company

- Damage, loss, or destruction of property belonging to the Company, guests, or other team members due to willful, reckless, careless, or negligent acts
- Failure to observe safety and health rules or regulations
- Horseplay or repeated violation of safety rules
- Negligent and illegal use of any electronic device or mobile phone while utilizing company equipment
- Failure to report injury, accident, defective equipment, or any safety hazards
- Any type of criminal activity
- Violation of commonly accepted standards of responsible personal conduct
- Possessing a weapon in violation of policy or using tools/equipment in a threatening manner
- Substandard quality and quantity of work, failing to meet job standards, lack of care performing job duties, or gross negligence
- Excessive unexcused/unscheduled absenteeism or tardiness
- Failure to report (no call/no show) or respond to communication from the company
- Leaving job without permission
- Extending breaks and lunch periods beyond allotted times
- Soliciting or gambling on Company property
- Use, possession, or solicitation of drugs or alcoholic beverages on Company property, and/or on Company time
- Reporting for work while impaired, due to alcohol or drugs
- Refusing a drug or alcohol test and/or altering specimens or failure to provide a usable specimen
- Sleeping on the job
- Insubordination or willful refusal to perform work or follow instructions or direction
- Repeated violation of Company policies

Nothing stated in this policy changes any Employment-at-Will relations that exists. The Company still reserves the right to terminate employment at any time with or without notice, and with or without cause, as allowed by law.

**Managers are required to submit all proposed termination decisions or discipline decisions resulting in substantial changes in employment terms and conditions to the Team Services (HR) Department before any such discipline is implemented.**

## Problem Resolution Procedures

All team members who desire to discuss important subjects about the Company, their jobs, inappropriate behavior or something that is bothering them are encouraged to communicate openly and honestly with management. Our Open-Door Policy guarantees the fair and courteous treatment of all team members. If there is a situation you wish to discuss, please follow this plan of action:

- First, talk to your immediate supervisor/department manager about your situation. Your manager knows your job and knows how to resolve the situation promptly and fairly. If you are not satisfied with the answer or are uncomfortable in discussing the situation with your supervisor/department manager, you have the right to take the next step.

- If you want further assistance with your situation, discuss the situation with your Assistant Store Director or your Store Director.
- If you want further assistance with your situation, contact your District Manager.
- If you want further assistance with your situation, please feel free to contact Team Services (HR) or any executive officer in the Company.
- If you have not been satisfied with the answers up to this point, the President of the Company can review your situation.

Team members who have substantial evidence and feel they have received unfair disciplinary action or termination must also utilize the above steps. In this type of situation, the team member must follow through with their grievance within seven (7) days from the date of the disciplinary action or termination.

## Weapons Policy

In the interest of maintaining a workplace that is safe and free of violence, the Company prohibits all team members who are on or enter Company property from carrying a dangerous weapon, regardless of whether the person is licensed to carry the weapon.

Team members are also prohibited from carrying a dangerous weapon while in the course and scope of performing their job for the Company whether they are on Company property at the time or not and whether they are licensed to carry the weapon or not.

This policy applies to all Company team members, contract and temporary team members, visitors, retailers and customers on Company property, regardless of whether or not they are licensed to carry a concealed weapon. Anyone not employed by the Company who comes onto Company property and disregards the weapons policy will be asked to leave. In the event of any type of problem, the police will be contacted immediately.

Dangerous weapons include, but are not limited to, handguns, firearms, ammunition, explosives, tasers, large knives, and other weapons further defined by State statute and/or ordinance(s). If team members have questions regarding whether an item is covered by this policy, they should contact the Team Services (HR) department. Team members have the responsibility to make sure that any item not specifically listed is not prohibited by this policy.

Company property covered by this policy includes all Company-owned or leased buildings and surrounding areas such as sidewalks, walkways, lawn areas, adjacent undeveloped land, driveways, and parking lots. In the state of Utah, driveways and parking lots under the Company's ownership or control are included except when a team member, who is legally permitted to possess a firearm, stores or transports a firearm within a personal vehicle in the Company parking lot. The firearm must not be in plain view and the unoccupied vehicle must be locked.

Company-owned or leased vehicles are always covered by this policy regardless of whether they are on Company property at the time.

Any team member who violates this policy may be subject to disciplinary action, up to and including termination. This policy shall not be construed to create any duty or obligation on the part of the Company to take any actions beyond those required of an employer by existing law.



## Workplace Violence

The Company values team member safety. It is our goal to maintain a work environment free from intimidation, threats, or violent acts. To that end, the Company has adopted a zero-tolerance policy regarding violence in the workplace. This includes, but is not limited to, intimidating, threatening, or hostile behaviors; physical abuse; vandalism; arson; sabotage; use of weapons; openly carrying or brandishing weapons of any kind; or any other act, which in management's opinion, is inappropriate to the workplace.

Team members who feel they have been subjected to any of the behaviors listed above are requested to immediately report the incident to their supervisor or a Team Services (HR) representative. Complaints will be fully investigated.

Team members who observe or have knowledge of any violation of this policy should immediately report it to Company management. The Company will act when unforeseen events transpire and look to team members for support of this policy. Team members are empowered to contact the proper law enforcement authorities without first informing management if they believe a threat to the safety of others exists.

## Inspection

Company-owned property such as storage facilities, vehicles, desks, lockers, or other property are always subject to inspection. Permission to enter or leave Company premises with briefcases, lunch boxes, personal vehicles, or any other closed containers is conditional on the employee granting the Company a right of inspection on request. A request for inspection does not necessarily imply an accusation of wrongdoing. Failure to cooperate or consent may result in discipline, up to and including termination.

## Complimentary Gifts and/or Entertainment

Anytime a team member is entertained or receives anything from a supplier, vendor, retailer or business partner (except for a product sample or a monogrammed pen); the team member is responsible to make an entry in the Business Entertainment Book (BE Book) which is located online in My Info Center. The entry should include details of anything that was received and its approximate value. Entries must be made promptly and in the case of entertainment should be entered no later than the first (1st) business day after your return to work. All team members must comply with this policy and if you have any questions, please contact your supervisor.

## Samples

Individual samples of product the Company buys for resale may be taken home for testing by Buyers, Advertising Coordinators, or others assigned to observe or measure product quality after written approval by your direct supervisor. Product should not leave the premises without a supporting document indicating approval.

## Gifts and Premiums

Team members must not accept any personal gift, premium or gratuity that could influence or appear to influence judgment concerning any present or prospective supplier, vendor, retailer or business partner of the Company. Only gifts and premiums of modest value may be accepted. For purposes of this policy,



modest value is generally defined as total value of \$50 or less. Cash gifts cannot be accepted for any reason. Visa type gift cards must be turned into Team Services (HR). Gift cards to a restaurant or like establishment may be accepted but must not exceed \$50 in total value. Cards of this nature that exceed \$50 must be turned into Team Services (HR). As stated previously, all gifts and premiums retained by team members are to be recorded in the BE book.

### Entertainment, Meals and Recreational Activities

It is recognized that infrequent and modest entertainment, such as: breakfast, lunch, dinner, golf, sporting events, or other entertainment may contribute to productive discussions or negotiations. As the purpose of such entertainment is for the benefit of the Company, such entertainment is only permitted if a vendor or supplier is present for the event or approval is granted by your direct supervisor. Team members must remain aware of the emphasis on "modest" and "infrequent". Oftentimes, raffles and drawings take place at certain events. Should a team member by chance win something in a raffle or drawing, they may keep that item so long as the event and items won are logged into the BE Book.

### Trips and Travel

Trips to a supplier's out of state plant or distribution center sometimes provide needed experience for our team members. Any such invitation, however, must be approved in writing by a member of the Executive Staff and recorded in the BE Book.

### Contest

Team members may not enter any contest connected with the food industry whose entry blanks are not circulated publicly.

## Travel Policy

Travel expense should be kept at reasonable levels through advance planning and good common sense. The Company will reimburse or provide a Company credit card to team members for business travel expenses. Unless a team member's spouse is specifically requested by the Company to travel with a team member, no reimbursement for a spouse's travel expense will be paid by the Company.

### Air Travel

- Book as far in advance of the trip as possible with a Company Travel Coordinator. All air travel must be approved by an authorized supervisor prior to purchasing a ticket.
- Use lowest cost fare given requirements of trip. Unused tickets or compensation by the airlines for over bookings should be turned in to the Travel Coordinator.
- We allow team members to retain credits on frequent flyer programs if abuse (such as booking unnecessary or more expensive flights to obtain points) does not occur.
- The Company will not reimburse a team member for frequent flyer mileage used for business.

### Hotel Accommodations

- Reservations should be made by a Company Travel Coordinator.
- Because of the broad rating of hotels and the fact that from city to city, ratings will differ, it is suggested that the class of hotel should not exceed Best Western or Holiday Inn. However, if

the purpose for traveling is to attend a special function (i.e., conference or seminar), staying in the conference hotel or one that is affiliated with the conference is recommended.

- If you will not use a room that was "guaranteed for late arrival," call the hotel to cancel. Charges incurred as a result of not canceling guaranteed room reservations will be the responsibility of the team member.

### **Rental Cars/Auto Usage**

- Rental cars may also be used for business travel when the total charge for such rental, including gas charges and the acceptance of all the insurance, is less than the amount a team member would be reimbursed for use of their personal automobile.
- All team members will be reimbursed for the lesser of actual mileage or the posted rental car rate, including insurance and fuel charges, when using their personal automobile for Company business. All team members using their personal automobiles for Company business must ensure that their personal insurance covers business use of the vehicle. Commuting to and from home to work is not reimbursable. When a team member does not travel to or from the office on a given day, but is engaged in business travel, the normal amount of commuting mileage for one day must be deducted from the mileage to be reimbursed. Mileage must be recorded each day and submitted on the electronic expense report. The expense report must be authorized and approved by the team member's immediate supervisor. The supervisor will forward the approved expense report to the Payroll Department for reimbursement. Charges incurred by fueling, repairing, or ensuring private vehicles cannot be billed to the Company.
- If a team member is traveling out of town for business to a destination served by the airlines and will be extending their stay for non-business purposes, the team member has the option of going by air or automobile and receive, as reimbursement the lesser of the least expensive airline ticket or auto allowances stated above. The reimbursement amount shall have a prior approval by the team member's supervisor. Additional time taken to drive over the time required to fly must be taken as vacation.

### **Meals and Incidental Expense (MIE) – Per Diem**

- While traveling out of town overnight, the Company will reimburse team members for reasonable meals and incidental expenses. Covered expenses include, but are not limited to, the following: meals, car rental, hotel tips, and/or business-related postage. (Please reference IRS guidelines for definition of reasonable).
- Team members are entitled to reimbursement for one meal when not out of town overnight when:
  - Working twelve or more hours including driving time.
  - Away from their normal place of business.
  - The trip home is more than one hundred miles.
  - Expenses NOT covered by the incidental expense policy would include, but are not limited to, the following: personal postage, entertainment (not prior approved), non-meal room service charges, personal telephone calls, lunches, etc.

## Entertainment

- Personal entertainment costs (movies, etc.) are at the team member's expense.
- The only reimbursable entertainment costs are for meals for which guests are invited to conduct further discussions with a defined business purpose. Receipts and the following documentation are required for reimbursement:
  - Date
  - Location
  - Attendees
  - Business relationship
  - Business Purpose

## Miscellaneous Expenses

Miscellaneous business expenses such as business-related postage, tolls, parking, shuttle, taxi (or similar transportation service), etc., are reimbursable.

## Conduct Requirements at Business Related Social Events

From time to time team members may be invited to participate in business related social activities such as retailer events, industry conferences or vendor events. While attending these activities, as Company representatives, team members are expected to conduct themselves according to the standards contained in the employee handbook and with the utmost professionalism. Therefore, while these are social events and alcohol often is served, team members are expected to be moderate in consuming alcoholic beverages. Any behavior contrary to the general code of conduct or public intoxication, while on Company-related business activities, may result in disciplinary action.

## Hiring and Internal Transfer of Relatives/Significant Others (Nepotism)

The Company will accept applications from relatives or significant others of team members and will give each due consideration for employment. However, the employment of relatives or significant others can create difficult situations affecting both the team member and the Company. This policy will include team members, consultants, temporary help, and other independent contractors who are engaged or seek to be engaged by the Company.

For the purpose of this policy, the following definitions apply:

- **Significant others**
  - Two individuals, who live together, share joint responsibility for basic living expenses and have an intimate and committed relationship.
- **Relatives**
  - Spouse, children, sisters, brothers, and parents. (This includes anyone with whom there may be a real or perceived conflict of interest due to a relationship.)

Relatives or significant others of present team members may be hired if the individuals concerned will not work in a situation where there is a direct reporting relationship. If any real or perceived conflicts of interest are created, Team Services (HR) will review the situation and decide an appropriate resolution.

Team members who marry or become significant others will be permitted to continue their employment only if they do not work in a supervisory relationship with one another. Should this situation occur, efforts will be made to reassign individuals to other positions for which they are qualified. If there are no available alternatives, at least one of the individuals may be required to leave the Company.

Team members are expected to disclose to Team Services (HR) their relationships that might be affected by this policy.

Leaders (supervisors, managers, directors, executives, etc.) should avoid engaging in romantic relationships with subordinates. In the event a romantic relationship develops between a leader and subordinate, the parties are required to report the relationship to Team Services (HR).

**The Team Services (HR) Department and the Executive Staff must approve exceptions to this policy.**

## Team Member Purchases

Team members are required to pay full price and have a sales receipt for all merchandise taken, consumed or used at the store. Broken, damaged, or out of date items, including food, must be purchased in the same manner. Discounts on merchandise are not permitted. Under no circumstances, are team members allowed to weigh, price or ring up their own purchases or that of any relative or person residing in the same household. Please advise your family and roommates of this policy in order to avoid embarrassment and violation of Company policy. “Sweet hearting” which includes weighing, pricing or ringing up purchases or products in a way that alters the final price in order to provide a discount for yourself or any other person, or purchasing product whose price has been altered, is strictly prohibited.

## Dress and Grooming Standards

Well-dressed and well-groomed team members project a positive image of the Company, portray the proper concern for sanitation while handling food merchandise, and leave a favorable impression on our guests. The Company dress standards will help our guest identify you as a team member who can help with their needs. Please remember that your Store Director, in alignment with this policy, has the authority and final say on what constitutes an acceptable image for the store.

- Team members are expected to maintain impeccable personal hygiene and cleanliness. They are required to be well groomed and neatly dressed. All clothes must be clean and in good condition overall.
- Team members may have options from which to choose depending upon your department. The list below outlines basic standards that apply to team members; however, is not all inclusive; please refer to your dress code poster or manual for specific details.
  - Dress standards include name badges and aprons which will be determined by the banner and department where you work.
  - Team member tops will be determined by the department where you work. Please note that no tank tops, halter tops, or non-banner logo t-shirts will be allowed.
  - Team members will be allowed to determine their choice of bottoms. Choices can include any solid color pants, jeans, or shorts. Please note all bottoms must be knee length, clean and without excessive frays or tears.

- Team members may choose their own shoes provided they are closed toe, closed back, and slip-resistant where required.
- In an effort to maintain good grooming standards and required food safety guidelines the following standards will be in place:
  - Hair must always be clean and well-groomed. Extreme hair styles or colors will not be allowed. Long hair must be pulled back. Hair nets or hats (with hair pulled back) are required in all areas of the store where food is being prepared, cut, or served.
  - Moderate sideburns, mustaches and beards are acceptable and must be clean, closely trimmed and well-groomed to avoid safety hazards. Snoots are required in all areas of the store where food is being prepared, cut or served.
  - Fingernails must be clean and trimmed. Nail polish is not allowed in areas where food is being prepared, cut, or served unless covered by gloves at all times.
  - All jewelry must be conservative and not interfere with the job or cause safety concerns. Ear gauges can be no larger than 5mm. No facial piercing is allowed except for one small nose stud (no septum or rings allowed). In an effort to comply with state health code requirements and prevent food contamination, team members who are involved in food preparation; including cutting and serving food will not be allowed to wear jewelry.
- Tattoos are allowed if they meet the following guidelines:
  - Tattoos that are lewd, vulgar, or considered profane will not be allowed at any time. Any tattoo that is found to be offensive will always be required to be covered. Tattoos are not allowed on your face or your throat.

## Smoking Policy (Smoke-Free Environment)

The Company is strongly committed to maintaining and improving the health and well-being of all team members, and comply with all local, state, and federal laws pertaining to smoking. We therefore operate our business as a smoke-free work environment, compliant with all state and federal laws pertaining to smoking and the use of electronic smoking devices. Additionally, with our commitment to promoting healthy lifestyles for our team members and guests alike, we extend the following policy as it applies to smoking, the use of electronic smoking devices, and smokeless tobacco products by the Company's team members:

- Smoking is prohibited within the building and within 25 feet of any entrance, exit, open window, or air intake outside of the building. This restriction applies to all team members and visitors.
- Smoking and the use of electronic smoking devices is not allowed in Company-owned or leased buildings, including offices, hallways, waiting rooms, restrooms, break rooms, elevators, meeting rooms, Company entrances, parking lots, and all community areas.
- Smoking and the use of electronic smoking devices is not allowed in Company-owned vehicles.
- The Company requires that if you choose to smoke, use electronic smoking devices, or smokeless tobacco, you use these products in the designated assigned smoking area at your location.
- All team members are required to wash hands upon returning to work from smoking or use of tobacco products.
- Team members who do not follow the smoke-free environment policy will be subject to disciplinary action up to and including termination.

## Attendance

At the Company, attendance is the most basic expectation. Your attendance is required as part of your job description. Your team relies on everyone doing their part to be successful. Our team does not run properly if you do not come to work when you are scheduled. Many important activities can take place in a grocery store at one time and managers try to anticipate how to schedule for these events.

Therefore, you must make a habit of coming to work every day you are scheduled, being on time and ready to work. All team members are expected to be punctual and show up for work as scheduled; this is an essential function of your job. In the event you are unable to come to work, or will be tardy for any reason, you are to personally contact your supervisor or another member of the store leadership team as soon as possible and before you are scheduled to work. We expect any team member who has difficulty with regular and on-time attendance to consider his or her situation very carefully, to make any necessary adjustments, and to commit to meet future work schedules as a condition of continued employment with the Company. Team members who are excessively absent, tardy or in violation of any part of this policy may be subject to disciplinary action up to and including termination.

## Time Keeping

When you start working at the Company, you will be instructed on how to punch in and out using our time clock. All team members are required to punch in and out as they begin and end a shift, and as they check in and out for all meal periods. All team members are expected to be working while on the clock. You are required to clock in and out according to your own assigned schedule. **Under no circumstances are you to clock in (punch the clock) for another team member or permit someone to do the same for you.**

There may be times when team members may be asked to work off premises, make a delivery or attend a meeting, these are the only instances where it will be acceptable for team members to not punch in or out, but instead give their bookkeeper a written record of their hours worked off premises.

Team members must promptly notify their supervisor or bookkeeper of any mistakes in their time records or pay. Team members must also notify one of these individuals if they perceive that anyone is interfering with their ability to record their time accurately and completely. All reports will be investigated, and appropriate corrective action will be taken.

The Company will not tolerate retaliation against team members for making a report or participating in an investigation.

Altering, falsifying, tampering with time records, recording time for another team member, or failure to record time as required is prohibited.

## Sunday Premium

Non-exempt, hourly team members who work on Sunday will be paid a one dollar and fifty cents (\$1.50) premium per hour worked in addition to their regular base hourly wage rate. Department managers will receive three dollars per hour worked in addition to their regular base hourly wage rate.

## Shift Premium

Non-exempt, hourly team members who work between the hours of 10 PM and 6 AM will be paid a twenty-five-cent (\$.25) premium per hour worked in addition to their regular base hourly wage rate.

## Overtime

From time to time, circumstances may require that a team member work in excess of forty hours during the work week. Nonexempt (hourly) employees are paid at the rate of one and one-half times their regular hourly rate for hours worked in excess of 40 during the established workweek. The Company also complies with any local, state or industry overtime requirements. Overtime must be pre-approved in advance by your supervisor. Unauthorized overtime will be subject to disciplinary action, up to and including termination.

*According to the federal Fair Labor Standards Act (FLSA), only actual hours worked are computed for purposes of determining hours worked for overtime calculation. Therefore, the Company will not count vacation time, sick time, holiday time, or any other time for which you are compensated but do not actually perform work when computing overtime hours worked in a work week.*

The work week for payroll purposes is Sunday through Saturday.

Employees who work overtime in the state of Nevada may be entitled to 1½ times their standard hourly wage if they work:

1. More than 40 hours a week, or
2. More than 8 hours in a day (*if they normally earn less than 1½ times the Nevada minimum wage*)

The workday in Nevada is defined as a period of 24 consecutive hours that begins when the team member begins work. This daily overtime provision does not apply when, by mutual agreement with the Company, the team member works a scheduled ten hours per day for four calendar days during the work week.

## Breaks and Meals

Team members 18 years of age or older will receive one 15-minute paid break for scheduled shifts lasting from four to seven hours. If the team member's schedule is greater than seven hours, he/she will receive two 10-minute paid breaks (which are not to be taken consecutively), and one 30-minute unpaid meal period.

Team members less than 18 years of age will receive one 15-minute paid break for shifts lasting from three to five hours. Minors will be allowed rest breaks of at least 10 minutes for every four-hour period or part thereof that they work; no minor team member can be required to work more than three consecutive hours without a 10-minute rest period. For shifts of more than five hours and up to seven hours, team members will receive one 10-minute paid break and one 30-minute unpaid meal period. For shifts lasting greater than seven hours, team members will receive two 10-minute paid breaks (which are not to be taken consecutively), and one 30-minute unpaid meal period.

In summary, breaks and meals are allotted as listed below:

- **18 Years or Older**

Shift Length	Breaks	Meal Period
4-7 Hours	One 15-minute break (Paid)	Not Required (Optional)
> 7 Hours	Two 10-minute breaks (Paid)	One 30-minute meal (Unpaid)

- **Under 18 Years**

Shift Length	Breaks	Meal Period
3 Hours	One 10-minute break (Paid)	N/A
3-5 Hours	One 15-minute break (Paid)	N/A
5-7 Hours	One 10-minute break (Paid)	One 30-minute meal (Unpaid)
> 7 hours	Two 10-minute breaks (Paid)	One 30-minute meal (Unpaid)

Team members should always finish working with a guest and clear work areas before taking a break. Break time should be coordinated with work activities and replacement coverage. Store leadership will notify team members when break and meal periods are to be taken based on business needs. Break times may adjust per shift at management discretion.

Breaks should be taken in authorized areas. If you leave Company property during the break period, you need to clock out and you will not be paid for the time.

Meal periods are off the clock and will be scheduled through store leadership. Team members will not be paid for this time away from work. Team members should always punch out on the time clock when leaving for a meal period and punch back in when returning to work.

**NOTE:** *If a team member is called back to work during their meal period, team members must clock back in. It is imperative to track time worked to ensure appropriate compensation. The supervisor should let the team member know when it is acceptable to go back and finish their meal period.*

## Paydays and Final Pay

It is the policy of the Company to pay team members bi-weekly (every other week) on Fridays. If an error is discovered in a paycheck, then notify your Store Director immediately.

Team members who voluntarily terminate (resign) will receive their final pay on the next regularly scheduled payday. Team members who are involuntarily terminated (released at will, for cause, or laid off) will be issued their final pay by the close of the next business day or in accordance with the laws of the State where they are employed. Final pay will be issued via direct deposit to the team member's account on record.



## Pay for Exempt Team Members

Exempt team members must be paid on a salary basis. This means exempt team members will regularly receive a predetermined amount of compensation for each work week. The Company is committed to complying with salary basis requirements which allows properly authorized deductions.

If you believe an improper deduction has been made to your salary, you should immediately report this information to Team Services (HR). Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, then you will be promptly reimbursed.

## Resignation and Termination Notice

If you decide you no longer want to continue to work for the Company, the Company would appreciate you providing at least a two (2) weeks' notice of your resignation, so that the Company will have time to find a replacement. Failure to provide a two-week notice may result in ineligibility for rehire with the Company. You are required to return all Company property at the time your employment with the Company ends.

## Time off Section

**Please note:** It is a general policy not to allow team members to take unpaid time off if they have a balance in their current vacation, holiday or sick accounts (as applicable). Any exceptions to this rule must be approved, when possible before the time off is scheduled, by the team member's supervisor or Team Services (HR).

## Vacation Pay

Accruals of vacation time will be awarded to regular full-time and regular part-time team members on the following schedule:

### Regular Full-Time Accruals

Team members averaging thirty or more hours per week—based on average weekly hours worked in prior year—defined as previous fifty-two weeks:

- After 1 full year of continuous service = 1 week (up to 40 hours)
- After 3 full years of continuous service = 2 weeks (up to 80 hours)
- After 8 full years of continuous service = 3 weeks (up to 120 hours)
- After 15 full years of continuous service = 4 weeks (up to 160 hours)

### Regular Part-Time Accruals

Team members averaging a minimum of twenty-four but less than thirty hours per week—based on average weekly hours worked in prior year—defined as previous fifty-two weeks:

- After 1 full year of continuous service = 1 week (based on average weekly hours worked in prior year)
- After 3 full years of continuous service = 2 weeks (based on average weekly hours worked in prior year)

**Team members averaging less than twenty-four (24) hours per week in a year of service do not receive paid vacation time.**

Up to a maximum of forty (40) hours of unused vacation may be carried over to the next year. Any vacation hours more than forty (40) hours at the end of the team member's anniversary year will be forfeited.

Vacation time is intended to promote well-being and productivity of team members by allowing time away from work and, consequently, should be used in whole shift increments. However, occasionally circumstances may warrant less-than-shift increments. Therefore, with supervisor approval, vacation time can be taken in hourly increments.

Vacation requests must be submitted to and approved by an immediate supervisor prior to the date(s) to be taken. Vacation scheduling is at the discretion of management.

Accrued but unused vacation time is paid out upon termination and does not count towards the calculation of overtime.

### Holidays

After ninety days of service, all regular full-time and regular part-time team members may be eligible for holiday pay. The amount of holiday pay is based upon the team member's average hours worked per shift in the four weeks immediately preceding the holiday.

Salaried team members and department managers will be eligible for holiday pay as of the first day of employment.

Below are the Company-recognized holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day (stores closed, except as arranged by the Company's management)

Team members required to work on these holidays will be paid one-dollar (\$1.00) premium per hour worked in addition to their regular base hourly wage rate. In no case may a team member receive more than eight hours holiday pay, unless worked; and no holiday pay hours unless worked will be counted for overtime purposes.

All qualified team members will receive holiday pay provided the following conditions are satisfied:

- Work the scheduled shift prior to and following the holiday. Should the team member be unable to work either of these shifts because of serious illness, or an unforeseen circumstance, the Store Director may use discretion to determine payment (documented proof may be required).

### Personal Time

Eligible team members will be awarded the equivalent of two (2) personal days upon the completion of one year of service. Personal time will be based on average hours worked per day within the prior year—defined as previous fifty-two (52) weeks.

Personal time must be scheduled in advance with your supervisor. Personal time does not carry over to the next year. Any personal time not taken by the next anniversary will be forfeited.

In order to use any personal time, team members must be employed by the Company for one year and be paid an average of twenty-four hours per week for the year. Regular pay, holiday pay, vacation pay, funeral pay, and jury duty pay will be included to calculate team member eligibility. However, disability or workers' compensation payments are not included. Personal time is intended to promote well-being and productivity of team members by allowing time away from work and, consequently, should be used in whole shift increments. However, occasionally circumstances may warrant less-than-whole shift increments. Therefore, with supervisor approval, personal time can be taken in hourly increments. Accrued but unused personal time is not paid out upon termination and do not count towards the calculation of overtime.

### Sick Pay

The Company believes that team members should be given the opportunity to maintain income when they are unable to work due to non-work-related illness or other approved reasons.

Full-time and Part-time team members can accrue up to 1.85 hours of sick pay for each bi-weekly pay period. Accrued sick pay hours are calculated based on the average weekly hours worked over the last 180 days or from the first day of employment.

Eligible team members begin accruing sick pay on the first day of employment and may begin using accrued sick pay after ninety (90) days of employment.

Sick pay is available for the following types of absences when authorized by the team members' supervisor or manager as indicated:

Type of Sick Pay Absence	Authorization Required
Your own personal illness	Manager/supervisor must be notified at least thirty minutes before scheduled shift starts or as early as possible.
Excused medical/dental appointments	Must be requested and approved at least twenty-four hours prior to the appointment.
Care of a sick family member	<b>When expected:</b> Must be requested and approved at least twenty-four hours prior to the appointment, or sooner if possible.
	<b>When unexpected:</b> Manager/supervisor must be notified at least thirty minutes before scheduled shift starts or as early as possible.

Funeral/Bereavement	Requires approval from management of time of need. Can be used in coordination with funeral pay, not to exceed two weeks total time. More than two weeks must be approved and documented by Team Service (HR).
Birth of Child	Must be approved and documented by Team Services (HR) conjunction with leave and paid parental leave policies.
Other qualifying FMLA or Voluntary Leave	Must be approved and documented by Team Services (HR).

The following types of absences are events **NOT** authorized for use of Sick Pay:

- Attendance of sporting events
- Birthday
- Disabled vehicles
- Home emergencies
- Rest and relaxation
- School events
- Vacation time

The above list is not intended to be all inclusive for further clarification, check with your manager or Team Services (HR).

Sick pay may be taken in one-hour increments. A team member can never use more sick pay than they have accrued. Sick hours are capped at 200 and no additional time accrues until the sick hours balance falls below 200 hours.

After an individual gives a separation notice, sick pay is only available for use with documentation that proves the need.

Accrued but unused sick time is not paid out upon termination and does not count towards the calculation of overtime.

### [Sick Pay Donation Policy](#)

The Sick Pay Donation Policy (SPDP) provides an opportunity for team members who experience a catastrophic, life threatening illness or injury—or have a dependent family member who experiences a catastrophic life-threatening illness or injury—to receive additional sick pay beyond what they have earned. SPDP consists of a bank of sick hours that have been donated by fellow team members to assist those with a crucial need. To be eligible, a team member must contribute eight (8) hours of their own Sick Pay annually during Open Enrollment and be approved by the Sick Pay Donation Committee. Also, team members are required to exhaust their own sick pay and all but forty (40) hours of their own vacation time before receiving any SPDP hours.

## Bereavement/Funeral Pay

The Company recognizes the need for team members to express grief in a private and family related setting. All full-time (averaging 30 hours per-week) and part-time team members are eligible for paid time off when specific relatives pass away. The length of the paid time off varies from one (1) to ten (10) days as follows.

1. Spouse, child or stepchild: Up to ten (10) days (maximum of 80 hours).
2. Parent or stepparent, sibling, father or mother-in-law, son or daughter-in-law, brother or sister-in-law, grandparent, or grandchild: Up to five (5) days (maximum of 40 hours).
3. Aunts, uncles, nieces, nephews, cousins, grandparent-in-law, or great-grandchild: Up to one (1) day (maximum of 12 hours).

Part-time team members may take leave in the same amounts as described above, but the amount of paid time is based on the average number of hours worked per day in the four (4) weeks prior to the bereavement leave.

Additional requests for time off in excess of bereavement and funeral pay guidelines will require use of personal, sick, or vacation accruals to cover the additional time off, subject to management approval. Team members will only be approved for personal, sick, and vacation time already banked and available for use.

Incentive, environmental, or differential pay is not calculated and applied on funeral pay.

Bereavement leave does not count towards the calculation of overtime.

## Death Benefit for Team Members

If a current team member (active or on leave of absence) passes away, the Company will provide a one-time cash payment of \$1,500.00 to assist in supporting the family. This is available separate from existing insurance policies the team member may have.

## Leaves of Absence

All type of leaves of absence are unpaid, but can be used in conjunction with any available banked sick, personal, or vacation hours (in accordance with the Company's policy); or Sick Pay Donation Policy (SPDP) as per our policy; or any income protection benefits such as the Salary Continuance Plan (SCP) or Long-Term Disability which are optional benefits coverages a team member must elect when available for benefit enrollments.

Team members may request extended leaves of absence under certain circumstances. In general, a leave of absence is defined as an absence from the workplace, whether paid or unpaid, that **exceeds two (2) weeks**. The Company may treat absences of less than two (2) weeks as extended leave for purposes of the Company's 26-week (6-month) maximum extended leave policy. Extended leave doesn't include absences related to accrued vacation time, non-FMLA qualifying sick pay, jury duty, or military service, as explained more fully below under the heading "Military Family Leave Entitlements."

Extended leave includes voluntary leave, leave under the Family and Medical Leave Act ("FMLA"), leave as an accommodation under the Americans with Disabilities Act ("ADA") or a combination of these.

Leave taken under the FMLA and the ADA may be for periods of less than two (2) weeks and will be administered in accordance with those laws and their implementing regulations. Leave qualifying under the FMLA and the ADA are an employee's "right" under those laws, whereas voluntary non-FMLA and non-ADA leaves of absence are considered a privilege. Voluntary non-FMLA and non-ADA leaves of absence will be subject to management approval, which will be conditioned upon, among other things, the team member's work record, the reason for the request, and departmental needs.

In general, a team member may not take more than twenty-six (26) weeks of any combination of FMLA, ADA and voluntary leave in any rolling 52-week period measured backward from the date a team member uses any leave under this policy.

### Family and Medical Leave Act (FMLA)

The Family and Medical Leave Act (FMLA) entitles eligible employees to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. The Company will provide eligible team members up to 12 weeks of leave during any 52-week period (or up to 26 weeks of military caregiver leave to care for a covered servicemember with a serious injury or illness). Eligible team members are those who have worked for the Company at least one (1) year and over 1,250 hours during the prior 52-weeks and who have a qualifying reason for FMLA. The 12-month period is a rolling period measured backward from the date an employee uses any FMLA leave. Leave under FMLA may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and the availability of vacation or sick pay.

Eligible team members can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within one year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job.

The FMLA also includes certain military family leave provisions:

- **Military Caregiver Leave**
  - Entitles eligible team members who are the spouse, son, daughter, parent, or next of kin of a covered servicemember (current member or veteran of the National Guard, Reserves, or Regular Armed Forces) with a serious injury or illness incurred or aggravated in the line of duty to take up to 26 workweeks of FMLA leave during a single 12-month period to care for their family member.
- **Qualifying Exigency Leave**
  - Entitles eligible team members to take up to 12 workweeks of FMLA leave in a 12-month period for a "qualifying exigency" related to the foreign deployment of the employee's spouse, son, daughter, or parent.

Under the FMLA, a “spouse” means a husband or wife. Husband or wife refers to the other person with whom an individual entered into marriage as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered into or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one state. This definition includes an individual in a same-sex or common law marriage that either (a) entered in a state that recognizes such marriages or (b) if entered outside of any state, is valid in the place where entered and could have been entered in at least one state.

A “serious health condition” is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or a condition that requires continuing care by a licensed health care provider.

This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three (3) consecutive days of incapacity with the first visit to the health care provider within seven (7) days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.

Team members with questions about what illnesses are covered under this FMLA policy or under the Company's sick pay policy are encouraged to consult with the Team Service (HR) department.

If a team member takes sick pay for a condition that progresses into a serious health condition and the team member requests unpaid leave as provided under this policy, the Company may designate all or some portion of related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.

### [Military Family Leave Entitlements](#)

An eligible team member whose spouse, son, daughter or parent on active military duty or who has been notified of an impending call or order to covered active military duty in the National Guard, Reserves or regular component of the Armed Forces may use their 12-week FMLA leave for reasons related to or affected by the family member's call-up or service. The qualifying exigency may include one of the following:

- Short-notice deployment,
- Military events and activities,
- Child-care and school activities,
- Financial and legal arrangements,
- Counseling,
- Rest and recuperation,
- Post-deployment activities, or
- Any additional activities agreed upon by the employer and team member that arise out of the military member's active duty or call to active duty.

The FMLA also includes a special leave entitlement that permits eligible team members to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered

servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties and for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Eligible team members requesting leave as a military caregiver should contact the Team Services (HR) Department for additional information and requirements.

### Requesting Family and Medical Leave

To obtain FMLA leave, team members should provide notice in advance regarding their condition or the condition of a family member with a serious health concern. The team member must contact Team Services (HR) to request a Leave of Absence at least 30 days in advance of the date that the leave begins, when the leave is foreseeable. If for emergency reasons notice in advance cannot be given, the team member or a family member must notify the Team Services (HR) Department at their earliest opportunity.

Team members must provide sufficient information for the Company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the team member is unable to perform job functions; the family member is unable to perform daily activities; the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Team members also must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

Team members also may be required to provide a certification and periodic recertification supporting the need for leave. The Company may require second and third medical opinions at the Company's expense. Documentation confirming family relationship, adoption, or foster care may be required.

The Team Services (HR) Department will provide the team member with FMLA documentation and notification, as appropriate. If the team member has not already submitted a medical certification, he or she will be provided with a certification form that must be completed by the appropriate health care providers. Failure to return the medical certification form within fifteen (15) days from the date of the notification and documentation could result in the leave being denied.

Certain highly compensated key team members also may be denied reinstatement when necessary to prevent "substantial and grievous economic injury" to the Company's operations. A "key" team member is an eligible salaried team member who is among the highest paid ten percent of the Company's team members within 75 miles of the worksite. Team members will be notified of their status as a key team member, when applicable, after they request FMLA leave.

All time off work which meets the definitions of leave under FMLA will be charged against the yearly FMLA allowance.

### Coordination of Paid Leave

FMLA Leave is coordinated with other forms of **paid leave** as follows:

- Team members may request use of earned sick pay during the period
- Salary Continuance Program (Short Term Disability) for partial salary replacement



- Worker's Compensation salary replacement for work related injuries
- Team members may also elect to apply earned vacation, holiday, and/or personal hours (as applicable) during time on leave.

**Team members are only eligible to receive one type of paid leave at a time.**

### Status Reports

Team members are required to remain in contact with the Company while on FMLA and may be asked to regularly provide information related to leave status and availability for work. Team members are expected to be responsive and cooperative in communications about their status.

### Intermittent or Reduced Leave

In some circumstances team members may not need continuous time off. An **intermittent or reduced-schedule leave** permits team members to continue to work and take time off for qualified FMLA reasons. It is the team member's obligation to obtain medical treatment and care at times that do not disrupt the Company's business operation. If this cannot be done, an intermittent or reduced-hour schedule may be granted. Only the amount of leave taken will be counted toward the twelve (12) week FMLA allowance.

Team members may be required to transfer temporarily to an alternative available position with equal pay and benefits that can better accommodate an intermittent or reduced-schedule leave. Medical certification of the need for intermittent or reduced hours leave will be required under the same terms as outlined above and before an intermittent leave can be approved or the team member transfers to a position that can better accommodate an intermittent or reduced hours schedule. This medical certification must include the following:

- The dates treatment will be given and the duration of treatment
- A statement of the medical necessity for an intermittent leave or reduced leave schedule

### Health and Other Benefits During FMLA

Health and other benefits during FMLA will continue as if the team member is actively working. This means that the team member must continue to pay any team member cost and the Company will continue to pay the Company contribution for an eligible team member's health insurance and other benefits for up to twelve (12) weeks.

In the event the team member does not pay their portion of the health insurance or other benefits while on FMLA, coverage may be terminated by the Company for lack of payment, however, the team member remains entitled to reinstatement upon return from leave with restoration of health insurance coverage at that time, without qualification requirements.

Team members may be required to reimburse the Company its share of health insurance premiums paid on the team member's behalf if the team member does not return to work following the end of the FMLA leave unless the reason the team members doesn't return to work is due to: 1) the continuation, recurrence, or onset of a serious health condition which would entitle the team member to FMLA leave; 2) the continuation, recurrence, or onset of a covered servicemember's serious injury or illness which would entitle the team member to FMLA leave; or 3) other circumstances beyond the team member's control.

**Team member will not accrue vacation, holiday, sick, or personal hours (as applicable) during time on leave.**

#### End of FMLA – Return to Work

It is the team member's responsibility to contact the Team Services (HR) Department two (2) weeks in advance of his or her return to work date to make scheduling arrangements. The team member must return on the day he or she is scheduled to return to work. If the team member fails to return on time, the Company reserves the right to terminate employment. Upon the team member's return within the guidelines above, he or she will be restored to his or her original or equivalent position with equivalent pay and benefits. Under limited circumstances, a team member who qualifies as a "key employee" under the law may be denied reinstatement after a leave.

#### Unlawful Acts

FMLA makes it unlawful for the Company to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA.
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

#### Enforcement

A team member may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against the Company for any violation of the FMLA. FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

#### Voluntary/Non-FMLA Leave

Voluntary leaves of absence will be approved or denied on a case-by-case basis at the Company's sole and absolute discretion. If the Company determines that time away from the job will be in the best interest of the team member and the Company, the team member may be granted a personal leave of **up to fourteen (14) weeks**. This leave can be used for:

- Personal requests of a non-medical nature
- Medical needs for personal injuries or illnesses, or work-related injuries, if not eligible for FMLA, including injuries or illnesses recognized under the ADA
- Extended medical leave for team members unable to return after FMLA leave

**At the end of a voluntary leave, a team member may or may not be reinstated to their same job or rate of pay.**

#### Applying for Voluntary/Non-FMLA Leave

To request voluntary leave, team members should provide advance notice regarding their need for this leave. The team member must fill out and submit to the Team Services (HR) department an application for a Voluntary Leave of Absence thirty (30) days in advance of the date the leave begins when the leave is foreseeable. If for emergency reasons any notice in advance cannot be given, the team member or a family member must notify the Team Services (HR) department at their earliest opportunity, but no later than seven (7) days of a qualifying event. In the event a voluntary leave is for medical reasons, a medical certification will be required. Medical certification must be provided within fifteen (15) days

from the date of notification. Failure to provide documentation could jeopardize leave and/or the team member's employment.

### Status Reports

Team members are required to remain in contact with the Company while on voluntary leave and may be asked to regularly provide information related to the status of the leave and their availability for work. Team members must respond in a timely manner to messages and requests for contact. Failure of a team member to remain in contact or respond to requests for contact while on voluntary leave may be considered a voluntary separation for failure to report.

### Coordination of Paid Leave

Voluntary Leave is coordinated with other forms of **paid leave** as follows:

- Team members may request to use banked sick pay while on leave
- Salary Continuance Program (Short Term Disability) for partial salary replacement
- Worker's Compensation salary replacement for work related injuries
- Team members may also elect to apply earned vacation, holiday, and/or personal hours (as applicable) during time on leave

**Team members are only eligible to receive one type of paid leave at a time.**

### Benefits during Voluntary/Non-FMLA Leave

During the voluntary leave period, if the team member wants to continue health and other benefits with the Company, the entire cost of benefits must be paid in full by the team member.

### Grace Period for Payment of the Cost of Health Benefits

If a team member's payment is more than thirty (30) days late, the Company's obligation to maintain health and other benefits for the team member ends. The Company will send out monthly notices of premiums that are due and will notify the team member, by mailing notice to the last known address on file with the Health Benefits Administrator, of pending termination of the health and other benefits due to non-payment.

### Returning to Work After Voluntary/Non-FMLA Leave

A team member returning from voluntary leave of absence **may or may not be reinstated to the same or equivalent job or rate of pay**. Again, this type of leave is granted at the Company's discretion. It is the team member's responsibility to contact the Team Services (HR) Department two (2) weeks in advance of the return to work date to make scheduling arrangements. The team member must return to work on the day he or she is scheduled to return. If the team member fails to return, the Company reserves the right to terminate employment.

A team member wishing to further extend the voluntary leave must contact the Team Services (HR) Department and submit an extension request two (2) weeks prior to the expiration of the ongoing leave period. Failure to remain in contact could expose the team member to separation.

Misrepresentation of the reason for a leave of absence request (whether voluntary or FMLA-related) or misuse of the leave of absence benefit is prohibited.

A team member who is on voluntary leave may not perform work for any other employer during this leave unless it is performing military or public service.

### Leave for a Living Organ Donation

The Company is committed to the life altering benefits provided by organ donation and to the support of team members who make the selfless decision to become a living organ donor. In keeping with this commitment, team members working for the Company will be eligible for up to two hundred (200) hours of paid leave to cover medical recovery when they willingly donate an organ. Part-time team members will be eligible for up to one hundred (100) hours.

The hours granted for living organ donation would be separate from all other leave banks and accruals. The hours will be granted on a weekly basis, as needed, and cannot be banked for any other purpose. If the donation requires more than two hundred (200) hours away from work, team members will be required to use sick, vacation or personal accruals to cover the additional time off.

Individuals taking leave to provide an organ will be subject to all other leave rules, policies and procedures.

Any team member desiring to take a leave for donation of an organ must contact Team Services (HR) at least three (3) weeks prior to the event and provide medical documentation outlining the need for the leave. Team members must have at least 90 days of service to be eligible.

### Military Leave

The Company supports the military obligations of all team members and grants leaves for uniformed service in accordance with applicable federal and state laws. If a team member requires time off from work to fulfill military duties, he or she will be treated in accordance with applicable requirements of state and federal laws. Team members are expected to notify their supervisor and provide a copy of their orders as soon as possible. If a team member is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

An eligible team member who provides notice of reserve training or military service will be granted an unpaid military leave of absence for up to five (5) years. During your military leave of absence, the team member's benefit coverage will be the same as for any other team member on an unpaid leave of absence. Health and other benefits may be continued based on the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Team members may apply any earned, accrued vacation time before the beginning of their unpaid military service leave if they wish, provided they are not obligated to do so.

Upon return from military leave, team members will be granted the same seniority, pay and benefits as if they had worked continuously during their deployment. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination. All team members who enter military service may accumulate a total absence of five (5) years and still retain employment rights.

## Jury Duty

The Company believes in supporting team members in fulfilling their civic duties concerning jury duty. Jury duty is treated as a paid absence. Team members will be paid for the time they serve on a jury, less the amount of any fee received for jury duty.

Notice of jury duty should be given to the team member's supervisor two (2) weeks in advance when possible but no later than three days prior. A copy of the summons should accompany the request.

When jury duty ends before the completion of the team member's regular shift, the team member must report to work.

*Under no circumstances will team members be terminated, threatened, coerced, or penalized because they request or take leave in accordance with this policy.*

## Witness Duty

All team members who are asked to participate as a witness on behalf of the Company will receive their standard compensation for all time spent in attendance at the proceedings, less any amount paid by the court. This time will be counted as time worked when determining overtime pay.

The Company encourages team members to appear in court as a witness when they have been subpoenaed. Exempt team members appearing as a subpoenaed witness will not receive deductions of pay for absences of less than one work week. Non-exempt team members will receive time off without pay. If a team member receives a subpoena, he or she should immediately advise his or her supervisor. Under either circumstance, team members are expected to report for their regular duties when temporarily excused from attendance in court.

In Nevada: Team members who are summoned to appear for jury duty will not be required to work within the eight hours prior to the time jury duty is scheduled to begin. On any day in which the team members' jury service lasts four or more hours, including time traveling to and from the court, team members will not be required to work between 5:00PM on the day of his or her appearance for jury duty and 3:00AM the following day.

*Under no circumstances will employees be terminated, threatened, coerced, or penalized because they request or take leave in accordance with this policy.*

## Minor Child Court Attendance Leave

Team members who are the parent, guardian or legal custodian of a minor child or ward who must appear in court will be allowed leave for the purpose of appearing in court with the child.

Team members seeking leave under this policy must request leave at least seven days in advance of the need for leave. However, if an employee does not receive notice of the hearing seven or more days in advance, then the employee must request leave within 24 hours of receiving notice of the hearing.

Leave under this policy will be unpaid except that exempt team members may be paid as required by applicable law.

### Leave for Team Members who Volunteer (Nevada)

Team members employed in Nevada may take time off from work to serve as search and rescue, sheriff's department, civil air patrol, or emergency responder volunteers. Team members will not be terminated for requesting or taking time off in accordance with this policy. Team members who are or who become volunteers must immediately notify management. This is unpaid time unless management approves use of banked time off or as required by applicable law.

### School-Related Activities (Nevada)

The Company will grant up to four (4) hours of unpaid time off during any school year to Nevada team members who are the parent, legal guardian, or custodian of a child enrolled in public school to: attend a parent-teacher conference, appear at a conference requested by their child's school administrator; attend school related activity during regular school hours, volunteer or otherwise be involved at the school in which the team member's child is enrolled, attend school-sponsored events, or respond to notice from their child's school of an emergency involving their child. Leave must be taken in minimum of one (1) hour increments. Team members must submit a written request for leave to their supervisor at least five (5) school days in advance. The leave will be at a time mutually agreed upon by the employee and the Company.

The Company may require employees to provide documentation verifying that, during the time of leave, the employee attended an eligible school-related activity.

Time off under this policy will be without pay, except that exempt employees may receive pay for partial day absences, as required by applicable law.

### Domestic Violence Victim Leave and Accommodations (Nevada)

Team members who are victims of domestic violence, or team members whose family or household members have been a victim of domestic violence, may take up to 160 hours of unpaid leave within 12 months immediately following the date on which the domestic violence occurred. Leave may be taken consecutively or intermittently.

Only team members employed with the Company for at least 90 days are eligible for this leave. A team member who is the alleged perpetrator of the domestic violence is not eligible for leave.

Team members may use leave for any of the following reasons:

- For the diagnosis, care or treatment of a health condition related to an act of domestic violence against the team member or the team member's family or household member;
- To obtain counseling or assistance related to an act of domestic violence against the team member or the team member's family or household member;
- To participate in any court proceedings related to an act of domestic violence against the team member or the team member's family or household member; or
- To establish a safety plan, including any action to increase the safety of the team member or the team member's family or household member.

A "family or household member" means a:

- Spouse;
- Domestic partner;

- Minor child; or
- Parent or other adult person who is related within the first degree of consanguinity (i.e., blood relation) or affinity (i.e., not a blood relation) to the team member, or other adult person who is or was actually residing with the team member at the time of the act of domestic violence.

If the reason for using leave is also a qualifying reason under the federal Family and Medical Leave Act (FMLA) and the team member is in fact eligible for FMLA leave, then the Company will also deduct the leave from the employee's available FMLA leave.

After a team member's initial leave for an occurrence of domestic violence, the team member must provide at least 48 hours' advance notice to the Company of his or her need to use additional hours of leave under this policy. Team members who take leave under this policy are required to provide the Company with documentation that supports the team member's reason for leave, such as a police report, a copy of an application for an order for protection, an affidavit from a victim's organization or documentation from a physician. The Company will keep such documentation confidential and will be retained consistent with FMLA requirements.

In addition to leave, team members who are victims of domestic violence, or team members whose family or household members have been a victim of domestic violence, may request reasonable accommodations (which do not create an undue hardship) from the Company, including:

- A transfer or reassignment;
- A modified schedule;
- A new work telephone number; or
- Any other reasonable accommodations which will not create an undue hardship for the Company and are necessary to ensure the safety of the team member and workplace.

The Company requires documentation to support the team member's request for a reasonable accommodation under this policy.

The Company will not terminate, discipline, discriminate against, deny employment or promotion, or threaten such action against any team member who:

- Requests leave or an accommodation under this policy;
- Participates as witnesses or interested parties in domestic violence court proceeding related to an act of domestic violence that triggered the use of leave; or
- Is the victim of an act of domestic violence committed at work.

## Voting

The Company encourages team members to exercise their voting rights in all municipal, state, and federal elections. Under most circumstances, it is possible for team members to vote either before or after work. If it is necessary for team members to arrive late or leave work early to vote in any election, team members should arrange with their supervisor no later than the day prior to Election Day. Team members will not be paid for time spent voting, except as required by law. Proof of having voted may be required.

In Nevada, team members who are registered voters and do not have enough time before or after work to vote will be allowed sufficient time off, without loss of pay, to vote. For purposes of this policy, enough time outside of working hours to vote means:

- One hour for employees whose polling place is two miles or less from the workplace;
- Two hours for employees whose polling place is more than two, but not more than 10 miles from the workplace; or
- Three hours for employees whose polling place is more than 10 miles from the workplace.

Employees must provide notice of the need for time off to vote prior to Election Day. The Company may specify the time during which employees may be absent to vote.

The Company will not make deductions from employees' salary or wages or otherwise penalize employees for taking leave in accordance with this policy.

Proof of having voted may be required.

### Paid Parental Leave

The Company supports team members in caring for and bonding with a newborn or a newly adopted child. In recognition of this support, the Company will provide up to two weeks of paid parental leave following the birth of the team member's child or the placement of a child with a team member in connection with a legally recognized adoption. This policy will run concurrently with Family and Medical Leave Act (FMLA) leave, as applicable.

Paid parental leave is available to full-time team members who have attained at least 12 months of service. Team members must provide their supervisor and the Team Services (HR) department with notice of the request for leave at least 30 days prior to the proposed date of the leave (or if the leave was not foreseeable, as soon as possible). The team member must complete the necessary HR forms and provide all documentation as required by the Team Services (HR) department to substantiate the request.

Eligible team members must have given birth to a child, be the biological parent of a newborn child, be the legally recognized spouse of a birthing parent or have adopted a child (age 17 or younger). The adoption of a new spouse's child is excluded from this policy.

Eligible team members will receive a maximum of two weeks of paid parental leave per birth or adoption of a child/children. The fact that a multiple birth or adoption occurs (e.g., the birth of twins or adoption of siblings) does not increase the two-week total amount of paid parental leave granted for that event. In addition, in no case will a team member receive more than two weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth, or adoption event occurs within that 12-month time frame.

Upon approval, paid parental leave will be added to the team member's banked hours on a separate code titled "paid parental leave". Approved paid parental leave must be taken in one continuous period of leave and must all be paid out during the 12-week leave time frame associated with the qualifying event date. Any unused paid parental leave will be forfeited at the end of the 12-week time frame.



Each week of paid parental leave is compensated at 100 percent of the team member's regular, straight-time weekly pay, not to exceed 40 hours per week. Pay is calculated based on average hours over the last 52-week period, excluding time missed for qualified FMLA events. Paid parental leave does not count towards the calculation of overtime. Paid parental leave will be issued biweekly on regularly scheduled pay dates and is subject to all payroll taxes and deductions including court ordered child support and garnishments.

In the event of a female team member who herself has given birth, the two weeks of paid parental leave will commence at the conclusion of any short-term disability leave/benefit provided to the team member for the team member's own medical recovery following childbirth. As a result, female team members who have given birth may receive additional paid time beyond the parental leave benefit when accessing other forms of leave.

Upon termination, team members will not be paid for any unused paid parental leave for which they were eligible.

#### Coordination of Paid Parental Leave (PPL) with other Policies

Paid parental leave taken under this policy will run concurrently with leave under the FMLA; thus, any leave taken under this policy that falls under the definition of circumstances qualifying for leave due to the birth or adoption will be counted toward the 12 weeks of available FMLA leave per a 12-month period. All other requirements and provisions under the FMLA will apply. In no case will the total amount of leave—whether paid or unpaid—granted to the team member under the FMLA exceed 12 weeks during the 12-month FMLA period. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.

After the paid parental leave is exhausted, the balance of FMLA leave (if applicable) will be compensated through team member's accrued sick, vacation and personal time. Upon exhaustion of accrued sick, vacation and any short-term disability leave for team members giving birth, any remaining leave needed will be unpaid leave. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.

The Company will maintain all benefits for team members during the paid parental leave period just as if they were taking any other Company paid leave such as paid vacation leave or paid sick leave.

If a Company holiday occurs while the team member is on paid parental leave, such day will be charged to holiday pay; however, such holiday pay will not extend the total paid parental leave entitlement.

A team member who takes paid parental leave that does not qualify for FMLA leave will be afforded the same level of job protection for the period that the team member is on paid parental leave as if the team member was on FMLA-qualifying leave. This will also be considered and noted as voluntary leave as per Company voluntary leave policy.

## Benefits When Working for More Than One Division within Associated Food Stores

Associated Retail Operations (ARO) is a division within Associated Food Stores.

From time to time, team members may work for more than one operating entity within Associated Food Stores (AFS). As an example, they may work for AFS Wholesale at the Distribution Center full-time and in a Macey's retail location on a part-time basis. These two operating entities will report income on separate W-2 forms for income tax purposes, but employment is combined for purposes of overtime calculations, benefits eligibility, and administration.

Team members will be assigned a single location as their primary work location and all benefits will be administered in that one location. In the example above, the Distribution Center is the primary employment location and all benefits would be administered there. Credit will be received for all hours worked in all locations and accruals will reflect those hours up to the maximum benefit.

Pyramiding of benefit accruals or matching contributions are not permitted beyond that of a singular place of employment. For example, sick leave will be accrued as a singular team member in a singular work location. Should you have any specific questions for your situation regarding this policy, please contact Team Services (HR).

## Benefits for Retired Team Members

For Medical Benefits only, regular retirees between the age of 60 years up to the age of Medicare eligibility (currently 65), with a minimum of 10 years of service are eligible to continue medical benefits they are enrolled in at the time of retirement. Retirees are only eligible to continue medical benefits, at current coverage levels, for those already on the plan at the time of retirement. Retirees may elect lesser coverage if so desired; for example, they may elect single coverage instead of continuing with existing employee plus spouse coverage. Coverage must continue uninterrupted from the date of retirement. Should a retiree elect to not continue coverage, they cannot rejoin later.

Dependent coverage is limited to a maximum term of five (5) years or up to the age of dependent Medicare eligibility (currently 65); whichever comes first. Should the retiree reach the maximum term of eligibility, eligible dependents may continue with the appropriate level of coverage up to the dependent maximum. If the retiree is Medicare eligible at the time of retirement, dependents who are not Medicare eligible may continue coverage at the appropriate level up to the noted maximum of five (5) years or up to the age of dependent Medicare eligibility.

Retirees are responsible for the full monthly premiums plus administrative fees.

## Benefits for Returning Team Members

It is the policy of the Company to provide team members returning from an involuntary reduction in force or layoff with an equitable reinstatement plan for benefits. "Returning team members" refers to individuals who have previously worked at the Company and lost their opportunity to continue due to workforce adjustment or layoff.

Reinstatement of service date and benefits will not be available to team members who leave the Company.

All full-time team members who return thirty (30) days or less from their date of termination are eligible for full benefit coverage and vesting under Health and Retirement Benefit Programs (where possible and

desired) in accordance with applicable plans, practices, and co-payments, and will be effective upon returning to full-time employment.

All full-time team members who return six (6) months or less from their date of termination, are eligible for reinstatement of their vacation accrual level, but must complete a ninety (90) day period prior to reinstatement of any other Health and Retirement Benefit Program benefits. At the end of the ninety (90) day period, the team member's benefits status will be reinstated at the level attained prior to termination. The provisions of each plan document will govern plan benefits.

All team members, who return after six (6) months from their date of termination, are treated as new team members and are subject to standard eligibility requirements. The provisions of each plan document will govern plan benefits.

## The Following Benefits are Available for Non-union Team Members:

### 401K Retirement and Savings Plan

Eligible regular full-time and regular part-time team members may participate in the Company sponsored 401(k) plan to save and invest for retirement. Team members must be over 21 years old and have been employed with the Company for at least one year to be eligible. The Company may match team member contributions up to a maximum of four (4) percent per year.

### Insurance Eligibility

Classification	Eligibility	Benefits
<b>Full-Time</b> TMs working thirty (30) or more hours per week.	Eligible following ninety (90) days of service.	Medical, Dental, Vision Service Plan (VSP) Basic Life, Supplemental Life, Accidental Death & Dismemberment (AD&D) and Dependent Basic, Supplemental, Employee Assistance Program (EAP), Long-Term Disability (includes Short-Term/Salary Continuance), Health Savings Account (HSA). Healthy Lifestyle Incentives.
<b>Regular Part-Time</b> TMs working twenty-four (24) to twenty-nine (29) hours per week with <b>less than three (3) years of service.</b>	Eligible following ninety (90) days of service.	Single coverage only on Dental and Vision plans paid 100% by TM. Employee Assistance Program (EAP)
<b>Regular Part-Time</b> TMs working twenty-four (24) to twenty-nine (29) hours per week with <b>three (3) or more years of service.</b>	Eligible first of month following three (3) years of service.	Single coverage on Dental and Vision plans at subsidized rates. Dependent coverage available 100% paid by TM. Employee Assistance Program (EAP)

## **Employee Assistance Program (EAP) is available for all team members (union or non-union) and is a confidential resource.**

### **COBRA**

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) provides team members and their qualified beneficiaries the opportunity to continue health benefits under the Company's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying life events are resignation, termination of employment (for reasons other than gross misconduct), or death of a team member; a reduction in a team member's hours or a leave of absence; a team member's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Team members must notify the company of a qualifying life event as soon as possible and no later than 30 days.

The Company provides each eligible team member with a written notice describing rights granted under COBRA when team members become eligible for the Company's health benefits plan. The notice contains important information about team member's rights and obligations. Team members will have 60 days to elect continued benefits from the date the team member or participating dependents may no longer qualify for benefits due to a qualifying event or, in the event of termination of employment, the date of termination, or 60 days from the date of notification, whichever is later.

Under COBRA, the team member or beneficiary pays the full cost of health benefits at the Company's group rates plus an administrative fee. Benefits will end if any of the following events should occur: The Company no longer provides group health benefits to any of its team members; the cost of benefits is not paid; the team member becomes covered under another group health plan; or the team member becomes eligible for Medicare.

### **Information Security Policy (Computer Usage)**

Internet/Intranet/Extranet-related systems including, but not limited to computer equipment, software, operating systems, storage media, network accounts providing electronic mail, WWW browsing, and FTP, are the property of the Company. These systems are to be used for business purposes in serving the interests of the Company, and of our guests during normal operations.

Effective security is a team effort involving the participation and support of every Company team member and affiliate who deals with information and/or information systems. It is the responsibility of every computer user to know these guidelines and to conduct their activities accordingly.

The purpose of this policy is to outline the acceptable use of computer equipment at the Company. These rules are in place to protect the team member and the Company. Inappropriate use exposes the Company to risks including virus attacks, compromise of network systems and services, and legal issues.

This policy applies to team members, contractors, consultants, temporaries, and other workers at the Company, including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by the Company. All computer files, documents, messages, and software created or stored on the Company's computer systems are subject to review and inspection at any time.

## General Use and Ownership

- While the Company's network administration desires to provide a reasonable level of privacy, users should be aware that the data they create on the corporate systems remains the property of the Company. Because of the need to protect the Company network, management cannot guarantee the confidentiality of information stored on any network device belonging to the Company.
- Team members are responsible for exercising good judgment regarding the reasonableness of personal use. Individual departments are responsible for creating guidelines concerning personal use of Internet/Intranet/Extranet systems. In the absence of such policies, team members should be guided by departmental policies on personal use, and if there is any uncertainty, team members should consult their supervisor or manager.
- For security and network maintenance purposes, authorized individuals within the Company may monitor equipment, systems and network traffic at any time.
- The Company reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

## Security and Proprietary Information

- The user interface for information contained on Internet/Intranet/Extranet-related systems should be classified as either confidential or not confidential, as defined by corporate confidentiality guidelines, details of which can be found in Human Resources policies. Examples of confidential information include but are not limited to: Company private, corporate strategies, competitor sensitive, trade secrets, specifications, customer lists, and research data. Team members should take all necessary steps to prevent unauthorized access to this information.
- Keep passwords secure and do not share accounts. Authorized users are responsible for the security of their passwords and accounts and all action taken under said password. System level passwords should be changed according to accepted Company policy to meet PCI-DSS requirements where necessary.
- All PCs, laptops and workstations should be secured with a password-protected screensaver with the automatic activation feature set at 15 minutes or less, or by logging-off when the host will be unattended.
- Use encryption of information in compliance with PCI-DSS and HIPAA where applicable.
- Postings by team members from a Company email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of ARO, unless posting is during business duties.
- All hosts used by the team member that are connected to the Company Internet/Intranet/Extranet, whether owned by the team member or the Company, shall be continually executing approved virus-scanning software with a current virus database unless overridden by departmental or group policy.
- Only Company approved personal devices are permitted to connect with store systems.
- Team members must use extreme caution when opening e-mail attachments received from unknown senders, which may contain viruses, e-mail bombs, or Trojan horse code.

## Unacceptable Use

Several activities are, in general, prohibited. Team members may be exempted from restrictions if legitimate job responsibilities require the use or access (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services).

Under no circumstances is a team member of the Company authorized to engage in any activity that is illegal under local, state, federal, or international law while utilizing Company-owned resources.

The following lists are by no means exhaustive, but attempt to provide a framework for activities, which fall into the category of unacceptable use.

## System and Network Activities

The following activities are strictly prohibited, with no exceptions:

- Violations of the rights of any person or Company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by the Company.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which the Company or the end user does not have an active license is strictly prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
- Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using a Company computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws
- Making fraudulent offers of products, items, or services originating from any Company account.
- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the team member is not an intended recipient or logging into a server or account that the team member is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes.
- Port scanning or security scanning is expressly prohibited unless prior notification to the Company is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the team members normal job/duty.
- Circumventing user authentication or security of any host network or account.

- Interfering with or denying service to any user other than the team members host (for example, denial of service attack).
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Company team members to parties outside the Company, unless required as part of the team member's assigned job duties.

### Email and Communications Activities

- Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
- Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
- Unauthorized use, or forging, of email header information.
- Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Use of unsolicited email originating from within the Company's networks of other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by the Company or connected via the Company's network.
- Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).

### Social Media Guidelines

Team members should refrain from using social media while on work time or on equipment the Company provides, unless it is work-related as authorized by management and consistent with our Computer Usage Policy.

Do not use the Company e-mail address to register on social networks, blogs or other online tools utilized for personal use. At all times, team members who use social media such as blogs, wikis, and social networking sites that may contain postings related to the Company, or its team members or affiliates, must comply with the following guidelines, regardless of where or when the use of social media takes place.

Team members may not speak on behalf of the Company, unless permission is specifically granted by the President of the Company. Information shared via social media is the opinion of the team member only – not the Company – and this should be communicated to recipients of the information. Never represent yourself as a spokesperson for the Company.

Company's logos, trademarks, and any other Company intellectual property may also not be used in connection with any personal social medial activity.

Team members must maintain the confidentiality of the Company's trade secrets and private or confidential information.



Team members must comply with the Company's equal opportunity/unlawful harassment standard. Be civil. Ensure postings are consistent with these policies. Inappropriate postings that include discriminatory remarks, harassment, and threats of violence that are based on an individual's membership in a protected class or similar inappropriate or unlawful conduct will not be tolerated.

Use good judgement. Be fair and courteous to fellow team members, customers/guests, suppliers/vendors or people who work on behalf of the Company. Keep in mind that you are more likely to resolve work-related conflicts by speaking directly with your co-workers or utilizing our problem-solving process than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be malicious, obscene, or threatening, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to defame someone, or posts that create a hostile work environment as described in the Company's Equal Employment Opportunity/unlawful harassment/accommodation policies.

Be honest and accurate. Make sure you are always honest when posting information or news, and if you make a mistake, correct it quickly. Never post any information or rumors that you know to be false about the Company, fellow team members, customers/guests, suppliers/vendors, people working on behalf of the Company, or competitors.

Blogs and other forms of social media communications are individual interactions, not Company communications. Information shared via social media is generally public and may easily be viewed by Company supervisors, team members, and customers/guest. Ultimately, you are solely responsible for what you post online. Before creating online content, consider the risks that are involved. Keep in mind that conduct that adversely affects your job performance, the performance of fellow team members, or otherwise adversely affects members, customers/guests, suppliers/vendors, or people who work on behalf of the Company in pursuit of the Company's legitimate business interests is prohibited.

Report concerns. Your personal (or anyone else's) blog, wiki, or social networking site is not the most appropriate place to make a complaint regarding discrimination, harassment, or safety issues. To ensure your concerns are appropriately brought to the attention of the Company, we encourage team members to report such issues directly to their immediate supervisor, but any team member who is concerned or apprehensive about reporting to their direct supervisor may instead report such issue to Team Service (HR) department.

## Cellphones and Other Electronic Devices

The use of personal cell phones or any other electronic devices while on Company time or working on the sales floor is prohibited. This includes, but is not limited to, sending or receiving text messages, pictures, or checking email.

If an emergency arises and you need to make a phone call, cease operating equipment, exit the work production area, and conduct the call in a safe place, out of the presence of customers/guests.

Due to safety issues, the use of iPods, headphones, or other electronic devices are never allowed by team members either on the sales floor, back room or anywhere on the Company premises. The only exception to this policy is when the team member is in the break room or our store is closed to guests. All team members are expected to understand and abide by this policy.



The Company prohibits team members from using handheld mobile phones either for voice or non-voice communications for business reasons while driving, or for any reason while driving for work-related purposes, whether the team member is driving a Company-owned vehicle, rental vehicle or his or her own vehicle. Team members should also be aware that operating a mobile phone whether for voice or non-voice communications may be a violation of local law, in addition to be a violation of Company policy. Team members are not allowed to operate a vehicle while manually typing or entering text into a handheld wireless communication device or while sending or reading data using a handled wireless communication device to access or search the Internet.

**Drivers should also review the specific transportation cell/mobile phone guidelines.**

## Solicitation/Distribution Policy

### Definitions

- **Solicitation**
  - To solicit or request contributions, information, trade, or support.
- **Distribution**
  - To distribute materials or flyers on Company premises or placement on team member vehicles.

### Internal Policy

To protect team members from unwanted solicitations that can interfere with work duties, productivity or create tension and discord among team members, the following rules will apply to all team members.

Team members may not solicit or ask other team members to purchase goods or services, make donations or contributions, sign cards or petitions, or join or support groups, organizations or causes in any work areas during working times. Team members may not distribute any literature or written materials that are not job-related and approved by the Company at any time in any work area.

It is the Company's policy to limit access to our premises to guest /customers, team members and vendors, for the purposes of shopping and conducting Company business. Accordingly, solicitations by non-Team members or distributions of any type of materials or literature by persons other than team members (and our vendor/business partners), on the Company's premises, is prohibited to the full extent of the law.

### External Policy

Social solicitation activities and other solicitation activities, including the distribution of flyers and literature, are acceptable with certain limitations. This policy will provide guidance for team members and non-team members when engaging in these activities.

The Company will not allow outside solicitation or distribution on its property without prior approval of Team Services (HR). Salespersons will not be permitted to solicit team members on Company property. Anyone who comes onto Company property to solicit/distribute without prior approval will be asked to leave and, if necessary, escorted off the premises. If someone with the intent to sell something or distribute information approaches any team member, please contact the facility Team Services (HR) Representative immediately.

## Additional Information

- Team members need to seek advance approval by management before soliciting co-workers or distributing literature. In addition, any solicitation or distribution must be on non-work time and in areas where the activity will not disturb other people who are working. Solicitation and distribution by team members who are on break or lunch will be permitted only in break room/cafeteria areas.
- The Company will not tolerate the solicitation/distribution of offensive, vulgar, and/or obscene literature. Political, religious or civic material is also prohibited (unless approved by the Executive Staff). Materials to be distributed may not be produced or reproduced on Company equipment or by using Company supplies.
- The solicitation/distribution of any materials that conflict with the Company's stated mission/vision or is perceived to be in direct competition with our member retailers will not be permitted.
- To avoid disruption of Company operations, the following rules apply to solicitations and distribution of literature on Company property:
  - Team members may not solicit other team members for membership, contributions, funds, or other purposes during the team member's working time or at any other time if the solicitation interferes with other team members who are scheduled to work.
  - Team members may not distribute literature during working time for any purpose.
  - Team members may not distribute literature (other than Company information) at any time, for any purpose in working areas.
- Please be courteous to co-workers. If someone expresses the desire not to be solicited or refuses an offered flyer or piece of literature, respect that person's wishes.
- Working time includes the working time of both the team member doing the soliciting and/or distributing and the team member to whom the soliciting and/or distributing is directed. Working time does not include break periods and/or meal periods.

In some instances, the collection of money for presents, flowers, parties, donations, or for cases of hardship can be considered appropriate. In these exceptional cases, such collections may be permitted with the approval of management. All such approved solicitations should be made during regularly scheduled rest and lunch periods.

*The only exception to the above is that the Company may authorize the solicitation of funds for recognized and established charities which benefit the general community.*

## Safety and Security

Team members are expected to do their best to help safeguard themselves, fellow team members and our guests. Most workplace injuries are caused by human failure or negligence. The Company tries to provide a safe workplace; however, it is the team members who can make this a truly safe workplace. The job is only as safe as those doing the work. Observance to Company guidelines and use of safety devices as instructed are a condition of employment.

**All accidents must be reported to a supervisor or management immediately.**

If you are injured at work, even if it is a minor injury, immediately report the injury to your direct supervisor or Store Director. If a guest is injured, immediately report the incident to a member of the store leadership team.

All accidents involving outside medical care or accidents that cause significant damage to property, equipment, or product must have a first report of injury and/or an accident report filled out and signed by team member and management. Once the accident is reported an appropriate investigation will be conducted. First aid or medical care, if needed, will be provided either on-site or at a Company approved treatment site.

## **The Company values its team members' safety.**

It is our goal to maintain a work environment free from intimidation, threats, or violent acts. To that end, we have adopted a zero-tolerance policy regarding violence in the workplace. This includes, but is not limited to, intimidating, threatening, or hostile behaviors; physical abuse; bullying; vandalism; arson; sabotage; use of weapons; openly carrying or brandishing weapons of any kind; or any other act, which in management's opinion, is inappropriate to the workplace. Team members should immediately report any such occurrences to management.

## Shoplifting

If you see someone shoplifting, you should immediately tell the store director, a member of the store leadership team, or Loss Prevention. Never accuse anyone of shoplifting or try to apprehend him or her. Let the Store Director handle the situation.

If a robbery occurs, you are instructed without question to obey all orders of the individual. You should surrender anything asked for. Nothing in our store is so valuable that it is worth risking injury to you or another individual by resisting the demands of the person holding you up. Be a good witness. As soon as the robber has left the store, secure the area, call the police and write down all that you remember about the individual. Please don't try to be a hero.

## Drug and Alcohol Policy

The Company is committed to a safe, healthy and productive work environment for all team members, free from the effects of illegal or non-prescribed drugs and alcoholic beverages. Use of drugs and alcohol alters team members judgment resulting in increased safety risks, team member's injuries, and faulty decision making. Therefore, the possession, use, sale of controlled substances or illegal sale of alcohol on Company premises or during Company time is prohibited and may lead to termination of employment. This includes working after the apparent use of marijuana, regardless of marijuana's legal status. Furthermore, working after the use of alcohol, a controlled substance or abuse of any other substance is prohibited.

Testing is an important element in the Company's efforts to ensure a safe and productive work environment.

The Company has issued a separate statement for this testing program. Please refer to this separate statement and contact Team Services (HR) if you have specific questions.

**NOTE: Drivers are subject to specific federal rules/standards and should refer to the specific drivers' drug and testing policy.**

## Drug Testing Policy

All Company team members are subject to drug testing of various types and under a variety of circumstance including:

1. Pre-employment testing,
2. Random testing,
3. Reasonable suspicion testing, and/or

#### 4. Post-accident testing

Individuals who refuse to participate in a test, fail to provide a specimen, substitute or tamper with a specimen, or fail to provide a specimen within the required time period are subject to termination.

*Team members who test positive for marijuana, on any type of drug test, are still subject to termination as per current company policy, even if they report having a medicinal marijuana card.*

The Company offers an assistance program to team members who formally notify management or a Team Services (HR) representative of a substance abuse problem and agrees to enter a treatment program. This formal notification must occur prior to a drug test event and only applies to team members with at least 90-days employment with the Company.

#### Privacy: How it Relates to the Drug and Alcohol Policy

Company managers are trusted to identify job performance and on-the-job behavior that may reflect drug or alcohol use. When a manager concludes that declining job performance or erratic on-the-job behavior may be the result of impairment, the manager has the option of referring the team member for testing.

To protect the safety of all concerned, the Company reserves the right to ask team members to take tests designed to determine compliance with Company alcohol and drug policy. All testing will be conducted using reasonable procedural safeguards.

The Company may inspect its property that is under the team member's control (such as a locker, desk or equipment) and the team member's personal effects or automobile (while located on Company property). Failure to submit to a test or inspection may lead to corrective discipline, up to and including termination.

#### Access to Personnel Files

Personnel records are maintained on every team member. These records are Company property. They are held as confidential as is reasonably possible. Information will not be released to anyone who does not have the right or need to know.

Files are kept in an electronic format. Information is available and accessible to team members through electronic means or by request to the Team Services (HR) Department.

The information available for viewing includes any documentation that has been entered into the official Company employment record including wage change information, enrollment information, absentee records, disciplinary action documents, etc.

If, after review, there is a disagreement about any information in the file, removal or correction of the information may be agreed upon by the team member and the Company. If no agreement can be reached, the team member may submit a written statement explaining their position, which will be placed in the file.

**In Nevada:** *Team members will be allowed a reasonable opportunity, upon request, to inspect or receive a copy of their personnel file during regular business hours. Team members should make their request to their Team Services (HR) representative. Team members who have been employed by the Company for*

*more than 60 days, and who leave the Company, will also be allowed a reasonable opportunity to inspect their personnel file or be provided with a copy of their file within 60 days after their separation. Team members may be required to pay the actual cost of providing copies.*