

**JOHN WATSON LTD.**

# Human Resources Policies & Procedure Manual

---

Policy Summaries

**Effective: January 1, 2009**

### VERSION CONTROL TABLE

<b>File Name</b>	<b>Version #</b>	<b>Author</b>	<b>Date of Modification</b>
EMPLOYMENT POLICIES SUM_021609_V1	1	Scott Donaldson	February 18, 2009
EMPLOYMENT POLICIES SUM_040709_V2	2	Scott Donaldson	April 7, 2009
EMPLOYMENT POLICIES SUM_043009_V3	3	Rebecca Chan	April 30, 2009
EMPLOYMENT POLICIES SUM_043009_V4	4	Rebecca Chan	October 1, 2009
EMPLOYMENT POLICIES SUM_031910_V5	5	Rebecca Chan	March 19, 2010
EMPLOYMENT POLICIES SUM_031910_V6	6	Malina Stetzel	October 29, 2012
EMPLOYMENT POLICIES SUM_031910_V7	7	Rebecca Chan	April 4, 2013

## TABLE OF CONTENTS

<b>INTRODUCTION .....</b>	<b>1</b>
<b>SECTION 2: EMPLOYMENT POLICIES.....</b>	<b>2</b>
<b>2.01 EMPLOYMENT PRINCIPLES .....</b>	<b>2</b>
<b>2.02 RECRUITMENT &amp; SELECTION .....</b>	<b>2</b>
<b>2.03 TERMS &amp; CONDITIONS OF EMPLOYMENT .....</b>	<b>2</b>
<b>2.04 PROBATIONARY PERIOD.....</b>	<b>2</b>
<b>2.05 EMPLOYMENT CLASSIFICATIONS .....</b>	<b>3</b>
<b>2.06 HOURS of WORK .....</b>	<b>3</b>
<b>2.07 EMPLOYEE ORIENTATION .....</b>	<b>3</b>
<b>2.08 CONFIDENTIALITY &amp; INVENTIONS.....</b>	<b>4</b>
<b>2.09 TERMINATION of EMPLOYMENT.....</b>	<b>4</b>
<b>2.10 THIRD PARTY REFERENCE REQUESTS .....</b>	<b>4</b>
<b>2.11 CONFLICTS of INTEREST .....</b>	<b>4</b>
<b>2.12 JOB POSTING .....</b>	<b>4</b>
<b>2.13 EMPLOYMENT REFERENCES.....</b>	<b>5</b>
<b>2.14 EXIT INTERVIEWS .....</b>	<b>5</b>
<b>SECTION 3: PAY AND PERFORMANCE.....</b>	<b>6</b>
<b>3.01 PAY PRINCIPLES.....</b>	<b>6</b>
<b>3.02 JOB EVALUATION .....</b>	<b>6</b>
<b>3.03 PAY ADMINISTRATION.....</b>	<b>6</b>
<b>3.04 JOB PERFORMANCE REVIEW .....</b>	<b>6</b>
<b>3.05 PAY RANGE STRUCTURE .....</b>	<b>6</b>

3.06	OVERTIME.....	7
3.07	REPORTING PAY .....	7
3.08	CALL-IN PAY .....	7
3.09	WAGE GARNISHMENTS.....	7
3.10	ABSENTEEISM.....	8
<b>SECTION 4: BENEFITS .....</b>		<b>9</b>
4.01	BENEFITS PRINCIPLES .....	9
4.02	VACATION & VACATION PAY .....	9
4.03	STATUTORY HOLIDAYS .....	10
4.03.1	STATUTORY HOLIDAYS – BC & AB.....	10
4.03.2	HOLIDAYS - ONTARIO .....	11
4.04	PERSONAL LEAVE of ABSENCE .....	11
4.05	MATERNITY/PREGNANCY LEAVE.....	12
4.05.1	MATERNITY LEAVE - Alberta .....	12
4.05.2	PREGNANCY LEAVE – British Columbia.....	13
4.05.3	PREGNANCY LEAVE – Ontario .....	13
4.06	PARENTAL/ADOPTION LEAVE.....	14
4.06.1	PARENTAL/ADOPTION LEAVE - Alberta.....	14
4.06.2	PARENTAL/ADOPTION LEAVE – British Columbia .....	15
4.06.3	PARENTAL/ADOPTION LEAVE – Ontario.....	15
4.07	BEREAVEMENT LEAVE .....	15
4.08	EDUCATION ASSISTANCE PROGRAM .....	16
4.09	SEMINARS & CONFERENCES .....	16
4.10	PROFESSIONAL ASSOCIATION MEMBERSHIP.....	17
4.12	EMERGENCY LEAVE/PERSONAL LEAVE .....	17

4.14	COMPASSIONATE CARE LEAVE .....	18
4.15	JURY or COURT WITNESS LEAVE.....	18
4.16	MILITARY LEAVE.....	18
4.17	STAFF PURCHASES & DISCOUNT PROGRAMS .....	20
4.18	COMPANY VEHICLES .....	20
4.19	TRAVEL POLICY.....	20
4.20	GASOLINE CREDIT CARDS .....	21
4.21	PERSONAL MOBILE DEVICES.....	21
4.22	COMPANY MOBILE DEVICES.....	22
4.23	CAR ALLOWANCE .....	22
<b>SECTION 5: EMPLOYEE RELATIONS.....</b>		<b>23</b>
5.01	EMPLOYEE RELATIONS PRINCIPLES .....	23
5.02	DISPUTE RESOLUTION .....	23
5.03	WORKPLACE HARASSMENT .....	23
5.04	WORKPLACE ACCOMMODATION on the BASIS of DISABILITY.....	24
5.05	CONDUCT & BEHAVIOUR.....	24
5.06	DISCIPLINE .....	24
5.07	PERSONAL INFORMATION PROTECTION.....	24
5.08	E-MAIL & INTERNET USE .....	25
5.09	RELIGIOUS ACCOMMODATION .....	25
5.10	DRESS CODE.....	25
5.11	WHISTLEBLOWER PROTECTION .....	26
5.12	PROVINCIAL & FEDERAL VOTING.....	26
<b>SECTION 6: HEALTH AND SAFETY .....</b>		<b>29</b>
6.01	HEALTH & SAFETY PRINCIPLES.....	29
6.02	ACCIDENT & INJURY REPORTING.....	29

<b>6.03</b>	<b>ACCIDENT INVESTIGATION .....</b>	<b>29</b>
<b>6.04</b>	<b>PERSONAL PROTECTIVE EQUIPMENT .....</b>	<b>30</b>
<b>6.05</b>	<b>JOINT HEALTH &amp; SAFETY COMMITTEE .....</b>	<b>30</b>
<b>6.06</b>	<b>WORKING ALONE .....</b>	<b>30</b>
<b>6.07</b>	<b>WORKPLACE VIOLENCE .....</b>	<b>30</b>
<b>6.08</b>	<b>EMERGENCIES &amp; BUSINESS INTERRUPTIONS .....</b>	<b>30</b>
<b>6.09</b>	<b>SCENTED PRODUCTS IN THE WORKPLACE .....</b>	<b>30</b>
<b>6.10</b>	<b>INFORMATION SYSTEMS DATA BACK-UP .....</b>	<b>31</b>
	<b>End of Document.....</b>	<b>31</b>

## **INTRODUCTION**

This document is to serve as an overview of the Human Resources (HR) Policies and Practices Manual for **John Watson Ltd.** The policies detailed herein should be considered only overviews, for more details, the actual **HR Policies and Procedures Manual** need be referred to. It is incumbent upon each Manager to ensure their respective staff has access to the Manual and that the Managers themselves are conversant on each policy.

The party primarily responsible for the Administration of the policies contained herein is the **Human Resources Manager.**

## SECTION 2: EMPLOYMENT POLICIES

*\*Note: This summary begins with "Section 2" as Section 1 is simply a summary for Administrators to refer to in the generation of a n HR Policies and Practices*

### 2.01 EMPLOYMENT PRINCIPLES

**John Watson Ltd.** is committed to the fundamental principles of equal employment opportunity; treating people fairly, with respect and dignity, and to offer equal employment opportunities based upon an individual's qualifications and performance — free from discrimination or harassment because of race, colour, ancestry, place of origin, political belief, religion, sex, sexual orientation, age, marital status, family status, physical or mental disability, or a criminal or summary conviction offence unrelated to a person's employment or intended employment.

### 2.02 RECRUITMENT & SELECTION

**John Watson Ltd** is committed to recruiting and selecting individuals who are the most qualified to perform the requirements of each position available. Candidates for job vacancies may be from existing staff or from outside sources. Where qualifications are deemed equivalent, preference will normally be given to internal candidates.

The successful applicant(s) for a job vacancy shall be given a written offer of employment which outlines all the terms and conditions of employment in that job. The applicant(s) must accept the offer by signing it before commencing work.

### 2.03 TERMS & CONDITIONS OF EMPLOYMENT

Employees must present documentation establishing their identity and their eligibility to legally work in Canada. A valid Social Insurance Number, landed immigrant papers, employment visa, or temporary work permit is deemed sufficient for this purpose.

All information provided to **John Watson Ltd.** is assumed to be true and any falsification of information constitutes grounds for dismissal.

Reference checking is a standard process in the employment process.

Certain employees may be required to sign a Confidentiality and Inventions Agreement as a condition of employment

If driving is a requirement to fulfil the duties of a position, the employee must possess and maintain a valid driver's license in good standing.

### 2.04 PROBATIONARY PERIOD

All new and rehired Full-time employees shall serve a Probationary Period during the first **three (3) months or six (6) months** after their date of hire depending on the position.

During the Probationary Period, either the employee or **John Watson Ltd** may end the employment relationship any time. **John Watson Ltd** is not obligated to provide any notice or pay in lieu of notice if the employee's employment is terminated during the Probationary Period.



## 2.05 EMPLOYMENT CLASSIFICATIONS

The following categories are used for Human Resources Administration:

- Payroll Category
- Employment Category
- Union Category
- Occupational Category

Employees are advised of their appropriate categories at the time of hire and at any time their status changes thereafter.

## 2.06 HOURS of WORK

British Columbia:

**Regular Full-time Working Hours** are at least **seven and a half (7.5)** hours per shift, **Monday to Friday**, for a total of at least thirty seven and a half (**37.5**) hours per week, seventy five (75) hours per pay period. Please see below for the various shift work day hours with at least one-half ( $\frac{1}{2}$ ) hour unpaid eating period to be taken between **11:00am** and **2:00pm**.

Operating Hours	6:30 AM – 5:00 PM
Shift 1	6:30 AM – 3:00 PM
Shift 2	7:00 AM – 4:00 PM
Shift 3	8:00 AM – 4:30 PM
Shift 4	8:30 AM – 5:00 PM

Calgary:

**Regular Full-time Working Hours** are eight (**8**) hours per shift, **Monday to Friday**, for a total of forty (**40**) hours per week. Please see below for the various shifts workday hours, with an unpaid one-half ( $\frac{1}{2}$ ) hour eating period to be taken between **11:00am** and **2:00pm**.

Operating Hours	7:30 AM – 4:00 PM
Office and Warehouse	7:30 AM – 4:00 PM

Ontario:

**Regular Full-time Working Hours** are **eight (8)** hours per shift and seven and a half (**7.5**) hours per shift, **Monday to Friday**, for a total of forty (**40**) hours per week. Please see below for the various shifts workday hours, with an unpaid one-half ( $\frac{1}{2}$ ) hour eating period to be taken between **11:30am** and **2:00pm**.

Operating Hours	8:00 AM – 5:00 PM
Warehouse	8:00 AM – 4:30 PM
Office	8:30 AM – 5:00 PM

## 2.07 EMPLOYEE ORIENTATION

Newly hired employees shall receive appropriate orientation to John Watson Ltd within their first two (2) weeks of employment.

## 2.08 CONFIDENTIALITY & INVENTIONS

**John Watson Ltd** is committed to protecting its trade secrets, confidential and proprietary information and to ensuring that inventions remain the sole and exclusive property of **John Watson Ltd**. New employees, as a condition of employment, are required to read and sign a *Confidentiality and Inventions Agreement* prior to the commencement of their employment.

## 2.09 TERMINATION of EMPLOYMENT

Terminations arise from Resignation, Retirement, Involuntary Termination and/or Temporary or Indefinite Layoff. All terminations shall be handled in a fair and lawful manner.

Employees who resign from their employment voluntarily shall be requested to participate in an Exit Interview.

An employee who is released for disciplinary reasons (except for just cause) or inability to perform work usually will receive a warning, written or otherwise, prior to involuntary termination proceedings being implemented.

## 2.10 THIRD PARTY REFERENCE REQUESTS

Only employees authorized through a specific assigned job responsibility are permitted to respond to third party reference requests. In the event an unauthorized employee receives a reference request, either oral or written, the request shall be forwarded immediately to the **Human Resources Manager** for action and/or response.

If the request for information is related to a credit or loan application, the employee **must** authorize release of this information in writing. Alternatively, the **Human Resources Manager**, or designated alternate, may provide a letter of confirmation to the employee, on company letterhead, which can then be used by the employee.

If the request for information relates to an ex-employee of **John Watson Ltd** with respect to job performance or other employment-related matters, only the **Human Resources Manager** may respond to such requests. Responses will be limited to factual information, authorized in writing by the employee for disclosure that can be documented through review of the ex-employee's personnel file.

## 2.11 CONFLICTS of INTEREST

All employees shall refrain from all Conflicts of Interest. If an employee becomes aware of, or becomes involved in one, he or she shall immediately disclose such Conflict of Interest to the **Human Resources Manager**. An employee must also disclose what could be "perceived" by an outsider as a Conflict of Interest. No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if an employee has any influence on transactions such as purchases, contracts, or leases, it is imperative that the employee disclose to the Human Resources Manager as soon as possible the existence of any actual or potential Conflict of Interest so that safeguards can be established to protect all parties.

## 2.12 JOB POSTING

A job vacancy **may** be posted in accordance with the provisions of this policy in order to provide internal candidates with notification of the opportunity.

- (a) Applicants to a job vacancy will be evaluated in accordance with the relevant job selection criteria. Job Posting applicants will be given preference in the following sequence:
  - (i) applicants from the department where the vacancy exists and for whom the posting is a Promotional Opportunity;
  - (ii) applicants from other departments for whom the posting is a Promotional Opportunity;
  - (iii) applicants from the department where the vacancy exists;
  - (iv) applicants from other departments;
  - (v) applicants from external sources.
- (b) Where the qualifications of successful applicants selected in accordance with Paragraph (a) are deemed to be relatively equal, preference will be given to the internal candidate(s) with the greatest length of employment service with **John Watson Ltd.**
- (c) If the job vacancy is not filled as a result of the Job Posting, **John Watson Ltd** reserves the right to fill the vacancy from either internal or external sources.

An employee who is a successful applicant to a Job Posting shall not be entitled to apply for a subsequent Job Posting for a period of **six (6)** months from the date of the employee's first day in the new position.

## **2.13 EMPLOYMENT REFERENCES**

All candidates for employment are required to provide the names and contact information for at least **three (3)** employment references. All offers of employment are conditional on receipt of satisfactory reference checks.

References will be checked prior to a candidate being issued with an offer of employment.

Reference checks shall be carried out in a fair and consistent manner, and where there is more than one candidate for a particular position, the same person shall conduct all reference checks related to that position. The **Human Resources Manager** is the only person authorized to do a reference check, due to the privacy laws.

Employment reference check records and/or any criminal record information shall be kept in a confidential, secure file.

## **2.14 EXIT INTERVIEWS**

**John Watson Ltd** will conduct a confidential exit interview with every employee voluntarily leaving the employ of the Company or retiring. Employees who are being terminated involuntarily will have exit interviews only if they request one.

Wherever possible, exit interviews will be held during the employee's final week of employment with a member of the management staff.

## SECTION 3: PAY AND PERFORMANCE

### 3.01 PAY PRINCIPLES

**John Watson Ltd.** believes in paying employees for consistent and sustained competency in the performance of their jobs. We strive to:

- pay wages that are competitive with wages paid by other comparable employers (same community, similar industry, size, revenue, etc.), for jobs of equivalent responsibility, in the communities where we compete;
- pay employees in similar jobs on an equitable basis, consistent with the principles of “Pay for Performance”; and
- award pay increases based upon merit when Job Performance Standards are consistently achieved or exceeded.

### 3.02 JOB EVALUATION

Accepted and approved Job Evaluation techniques are used to evaluate jobs on the factors of skill, effort, responsibility, and working conditions in order to establish their relative value to each other and within the company so that accurate wage comparisons may be made between differing jobs.

### 3.03 PAY ADMINISTRATION

The prime determinants of pay levels and/or pay increases are the individual's sustained past performance, the individual's present wage related to the Job Rate for the job and the time the individual has been performing the job. Length of service or tenure in a position does not, standing alone, justify granting pay increases.

An individual's sustained job performance determines the maximum permissible that may be achieved. This principle means that better performers are able to achieve greater penetration into their pay range.

### 3.04 JOB PERFORMANCE REVIEW

**John Watson Ltd.** uses Job Performance Review techniques based on the following principles:

- Job Performance Standards are developed and documented for each job against which the incumbent's job performance is evaluated;
- Managers will train, coach and otherwise assist employees to meet or exceed Job Performance Standards;
- Regular feedback is provided to employees on their job performance.

### 3.05 PAY RANGE STRUCTURE

**John Watson Ltd's** pay ranges are established on a geographical basis and are structured so that:

- the Mid-point of each range reflects the rate deemed by **John Watson Ltd.** to be equivalent to the prevailing rate paid for similar jobs by comparable employers in the community;

- differences between the Mid-point for each job reflect the differences in the relative value of positions (established by Job Evaluation);
- the range spread (the difference between the Minimum and the Job rate and between the Job rate and the Maximum) of each pay range is large enough to permit recognition of differences in performance among individuals performing the work associated with that job.

### 3.06 OVERTIME

Overtime applies only to **Hourly** employees, it **does not apply to Salaried** employees.

Overtime work, in excess of eight (8) hours per day or forty (40) hours per week must be authorized in advance by the Departmental Manager.

Authorized overtime hours worked are paid at the rate of one and one-half (1½) times the employee's Regular wage, or its equivalent, for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, in British Columbia, or **fourty-four (44) hours per week in Alberta and Ontario.**

Authorized overtime will have a set maximum of four (4) hours in addition to regular shift hours per day are paid at the rate of one and one-half (1½) times the employee's Regular wage, with total work hours not to exceed twelve (12) hours per workday.

Authorized overtime hours worked on a Sunday are paid at the rate of two (2) times the employee's Regular wage, or its equivalent, for all hours worked on that Sunday.

### 3.07 REPORTING PAY

In rare and exceptional circumstances **John Watson Ltd.** may be unable to provide employees with their regular work on a scheduled shift. Unless, prior to the scheduled shift starting time, an employee has been advised not to report for work, employees who report for work at the start of their scheduled shifts may be assigned to any available, alternate work and shall continue to receive their regular wages for work performed until they can be reassigned to their normal duties.

### 3.08 CALL-IN PAY

An employee who has left the workplace and is later called back to work outside of regular hours will be paid at the appropriate overtime rate for the greater of **four (4)** hours or the actual hours worked outside their regular shift hours.

Wherever possible, the need to call in an employee to work after regular hours shall be limited to emergency situations.

### 3.09 WAGE GARNISHMENTS

The law requires **John Watson Ltd.** to comply with either court-ordered or employee requested payments and wage garnishments when they are presented in writing. Employees affected by wage garnishments or court-ordered payments will be notified by Payroll of any charge against

their wages.

No person acting on behalf of **John Watson Ltd.** may dismiss; threaten to dismiss; discipline or suspend; impose any penalty upon; or intimidate or coerce any employee because of a wage garnishment or court-ordered payment.

### **3.10 ABSENTEEISM**

Employees are expected to attend work and be punctual on every scheduled day. Any incident of employee absenteeism shall be recorded on the employee's file,

Attendance, and conversely absenteeism, will form part of all employee's Performance Evaluation.

In the case of Authorized absences, including but not limited to sick leave, vacation, jury duty, maternity/parental leave, emergency leave, the employee is required to submit the appropriate documentation for leave authorization, wherever possible, prior to commencing the leave.

Employees will be subject to counselling and/or formal discipline if they are absent or late without authorization for three (3) occurrences in a twelve (12) month period.

Employees may request recorded non-culpable absence occurrences be expunged from their records if they are occurrence-free for a twenty-four (24) month period after the last recorded occurrence.

Absence from work for three (3) consecutive work days, without notification to the immediate supervisor, is considered to be a voluntary resignation of the employee from employment.

## SECTION 4: BENEFITS

### 4.01 BENEFITS PRINCIPLES

It is the policy of **John Watson Ltd** to provide fair and equitable benefit plans and programs based on industry practices. The following principles govern considerations regarding the type of benefit programs that may be made available to employees.

- (a) **John Watson Ltd** believes that employees are primarily responsible for their own welfare and the welfare of their dependants.
- (b) **John Watson Ltd** may make arrangements to provide appropriate benefit plans/programs that are designed to protect employees from significant financial hardship resulting from unforeseen circumstances. Where plans are provided, reasonable efforts will be made to ensure such plans are competitive with those that are generally in use in the same industry in which we compete.
- (c) **John Watson Ltd** may contribute to some, or all, of the costs of various plans, where it can afford to do so and where it is general practice to do so in our industry.
- (d) Employees may be offered the opportunity to participate in appropriate plans on the assumption that costs of a group plan would normally be less than the costs an employee would have to pay as an individual.
- (e) **John Watson Ltd** may, in its sole discretion, decide upon the following:
  - plan design or modification, including the addition or reduction of benefits;
  - introduction of new plans;
  - selection of carriers;
  - funding arrangements;
  - cost sharing arrangements; and
  - benefits to be provided.
- (f) Wherever possible and practical, master benefit programs shall be used for all locations of **John Watson Ltd**; however benefits under those programs may vary depending upon differing circumstances.

### 4.02 VACATION & VACATION PAY

Vacations are granted annually, based on completed years of continuous employment with **John Watson Ltd**.

For the purpose of this policy the vacation year is defined as **January 1 to December 31**. Vacation time earned must be taken in the year earned (not the following year). Therefore, vacation time earned begins the day employment starts.

#### Vacation Entitlement

##### Years of Employment

Less than 1 year

1 – 2 years

3 – 6 years

7 – 14 years

15 – 24 years

25+ Years

##### Days Entitled

Prorated: 1 day for each full month of employment (to a Maximum of 10 days)

10 days - (2 weeks)

15 days - (3 weeks)

20 days - (4 weeks)

25 days - (5 weeks)

30 days - (6 weeks)

- (b) Earned vacation entitlement cannot be carried over from one vacation year to another.
- (c) A vacation day is exclusive of statutory holidays that an employee is entitled to.
- (d) Unless earned, an employee is not allowed to take the full vacation entitlement during the first 4 months of the year.

**Vacation Pay**

- (a) Employees with vacation entitlement of two (2) weeks or less receive vacation pay of 4.16% of total wages for the period in which vacation entitlement was earned.
- (b) Employees with vacation entitlement of three (3) weeks receive vacation pay of 6.36% of total wages for the period in which the vacation entitlement was earned.
- (c) Employees with vacation entitlement of four (4) weeks receive vacation pay of 8.64% of total wages for the period in which the vacation entitlement was earned.
- (d) Employees with vacation entitlement of five (5) weeks receive vacation pay of 11% of total wages for the period in which the vacation entitlement was earned.
- (e) Employees with vacation entitlement of six (6) weeks receive vacation pay of 13.44% of total wages for the period in which the vacation entitlement was earned.

**Vacation Scheduling**

- (a) Due to the seasonal nature of the business, **John Watson Ltd** will be able to restrict when employees' vacation time is taken. The restrictive periods are as follows:

<b>Departments</b>	<b>Restrictive dates</b>
Operations (Shipping/Manufacturing)	Sept 1 <sup>st</sup> – Nov 30 <sup>th</sup>
Sales (inside & outside)	Sept 1 <sup>st</sup> – Nov 30 <sup>th</sup>
Order Entry Operations	Sept 1 <sup>st</sup> – Nov 30 <sup>th</sup>
Accounting operations	Month Ends and Y/E (May 15 <sup>th</sup> -June 15 <sup>th</sup> )
All Employees	Inventory Count Days (i.e. Jan 31 <sup>st</sup> & May 31 <sup>st</sup> , dates may vary)
All Employees	Jan 1 <sup>st</sup> – April 30 <sup>th</sup> (Unless fully earned, an employee cannot take full vacation entitlement)

The above may be subject to change at anytime.

- (b) **John Watson Ltd** reserves the right, in the future, to institute a company-wide vacation shutdown period.
- (c) The employee's immediate manager must approve vacation scheduling in advance. Employees **should not** make any vacation commitments until vacation scheduling has been approved in writing.
- (d) If the employees minimum vacation time (less than 5 years = 2 weeks, greater than 5 years = 3 weeks) has not been booked/scheduled with the payroll department by July 31<sup>st</sup>, the company will arbitrarily assign vacation time as seen fit by management.
- (e) Employees can **only take full day vacation increments**, not partial days.
- (f) Employees must receive from the Human Resources Manager a signed "Vacation Confirmation Letter" in order to ensure that their vacation request has been approved.

**4.03 STATUTORY HOLIDAYS**

**4.03.1 STATUTORY HOLIDAYS – BC & AB**



**John Watson Ltd** recognizes **nine (9)** days as statutory holidays and **two (2)** company holidays. The company grants eligible employees time off work on these days for which the employee is paid Holiday Pay, subject to the conditions outlined herein. The recognized holidays are:

#### **Statutory Holidays**

##### **British Columbia**

New Year's Day

Good Friday

Victoria Day

Canada Day

B.C. Day

Labour Day

Thanksgiving Day

Remembrance Day

Christmas Day

##### **Alberta**

New Year's Day

Family Day

Good Friday

Victoria Day

Canada Day

Labour Day

Thanksgiving Day

Remembrance Day

Christmas Day

#### **Company Holidays**

##### **British Columbia**

Easter Monday

Boxing Day

Chinese New Year (Floating Day for Union EEs only)

##### **Alberta**

Heritage Day

Boxing Day

#### **4.03.2 HOLIDAYS - ONTARIO**

**John Watson Ltd.** recognizes **nine (9)** days as statutory holidays and **two (2)** company holidays. The company grants eligible employees time off work on these days for which the employee is paid Holiday Pay, subject to the conditions outlined herein. The recognized holidays are:

#### **Statutory Holidays**

New Year's Day

Family Day

Good Friday

Victoria Day

Canada Day

Labour Day

Thanksgiving Day

Christmas Day

Boxing Day

#### **Company Holidays**

Civic Holiday

Easter Monday

#### **4.04 PERSONAL LEAVE of ABSENCE**

- (a) Employees on the active payroll may apply for a personal leave of absence at any time and this policy will apply, unless another specific leave of absence policy applies. All requests for personal leave, save and except for Pregnancy Leave, Parental Leave, Bereavement Leave, Emergency Leave (Family Responsibility Leave) and Jury or Court Witness Leave are deemed to be for personal reasons and may or may not be granted in the sole discretion of the employee's **Manager**.

- (b) **John Watson Ltd** will only allow **one (1)** leave per year.
- (c) Requests for leave will be judged on their merit, by the **Human Resources Manager**, having regard for individual circumstances, such as, the purpose of the leave, the performance and length of service of the employee, the frequency of such requests, and the impact of the employee's absence on operations. Such leaves, if granted, **shall be without pay**.
- (d) The **Manager**, prior to responding to the Request for Personal Leave, shall consult with the **Human Resources Manager**, for guidance in order that consistent and fair treatment of all employees may be assured. The **Human Resources Manager** will be responsible for making the final decision as to whether a Leave of Absence will be granted.

#### 4.05 MATERNITY/PREGNANCY LEAVE

##### 4.05.1 MATERNITY LEAVE - Alberta

- (a) A pregnant employee who has been employed by **John Watson Ltd.** for at least fifty-two (52) consecutive weeks is entitled to and shall be granted a maternity leave of absence without pay, not exceeding fifteen (15) consecutive weeks in duration provided she:
  - (i) submits a written application for maternity leave at least six (6) weeks before the date on which the leave is to commence; and
  - (ii) if requested, provides a certificate from a medical practitioner stating the expected birth date.
- (b) In the case of a pregnant employee who stops working because of complications caused by her pregnancy or because of a birth, still-birth or miscarriage that happens earlier than the employee was expected to give birth, the employee must, within two (2) weeks of stopping work, provide:
  - (i) a written notice of the date maternity leave began or is to begin; and
  - (ii) a certificate from a medical practitioner that:
    - A. in the case of an employee who stops working because of complications caused by her pregnancy, states the employee is unable to perform her duties because of complications caused by her pregnancy and states the expected birth date; or
    - B. in any other case, states the date of birth, still-birth or miscarriage and the date the employee was expected to give birth.
- (c) Provided the employee's maternity leave has not yet commenced, a pregnant employee (including an employee who is not entitled to maternity leave) is entitled to use accumulated sick leave benefits, if any, in accordance with the sick pay policy, for health-related reasons associated with pregnancy. Similarly, a pregnant employee may also use accumulated vacation time and/or overtime bank hours, if any, for any other leave time required prior to the start or end of any authorized maternity leave.
- (e) Unless Paragraph 1.01(b) applies, maternity leave may commence no earlier than twelve (12) weeks before the expected birth date and no later than or the day on which the employee gives birth. Such leave shall be for a continuous period and not intermittent.
- (f) Notwithstanding paragraph 1.02(a), at least six (6) weeks of maternity leave must be taken immediately following the date of delivery, unless **John Watson Ltd.** and employee agree to a shorter period conditional on the employee providing a medical certificate stating that resuming work will not endanger her health.

An employee who takes maternity leave and wishes to take parental leave must commence the parental leave immediately upon expiry of the maternity leave, without a return to work, unless

agreed to otherwise by **John Watson Ltd.** and the employee. The employee's application for maternity leave is deemed to be notice of application for parental leave unless the application for maternity leave specifically excludes parental leave.

- (a) Unless specified otherwise herein, insured employee benefits programs are discontinued for the duration of any maternity leave effective **the end of the month in which the leave commences**.
- (b) Notwithstanding 1.04(a) above, an employee's benefits will be either continued or reinstated during the portion of the maternity leave which is "health-related".
- (c) If permitted and approved by the benefits provider, employees may make appropriate arrangements, in advance, to maintain insured benefit plans related to life insurance, accidental death insurance, extended health and/or dental benefits beyond the period specified in paragraph 1.04(a) and (b) by making suitable arrangements regarding payment of the necessary premiums, including **John Watson Ltd.'s** share, if any, prior to the commencement of the leave.

#### **4.05.2 PREGNANCY LEAVE – British Columbia**

- (a) A pregnant employee is entitled to and shall be granted a pregnancy leave of absence without pay, not exceeding seventeen (17) consecutive weeks in duration provided she:
  - (i) submits a written application for Pregnancy Leave at least four (4) weeks before the date on which the leave is to commence; and
  - (ii) if requested, provides a certificate from a medical practitioner stating the expected birth date.
- (b) In the case of an employee who stops working because of complications caused by her pregnancy or because of a birth, still-birth or miscarriage that happens earlier than the employee was expected to give birth, the employee must, within two (2) weeks of stopping work, provide:
  - (i) a written notice of the date pregnancy leave began or is to begin; and
  - (ii) a certificate from a medical practitioner that:
    - (a) in the case of an employee who stops working because of complications caused by her pregnancy, states the employee is unable to perform her duties because of complications caused by her pregnancy and states the expected birth date; or
    - (b) in any other case, states the date of birth, still-birth or miscarriage and the date the employee was expected to give birth.

Unless Paragraph 1.01(b) applies, pregnancy leave may commence no earlier than eleven (11) weeks before the expected birth date and no later than or the day on which the employee gives birth. Such leave shall be for a continuous period and not intermittent.

- (a) Pregnancy leave of an employee who is entitled to take parental leave ends seventeen (17) weeks after the leave began.
- (b) Pregnancy leave of an employee who is not entitled to take parental leave or who elects not to take parental leave, ends on the later of the day that is seventeen (17) weeks after the leave began or the day that is six (6) weeks after the birth, still-birth or miscarriage.
- (c) An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave is originally scheduled to end.

#### **4.05.3 PREGNANCY LEAVE – Ontario**

- (a) A pregnant employee who has at least thirteen (13) weeks of employment before the

expected date of birth is entitled to and shall be granted a pregnancy leave of absence without pay, not exceeding seventeen (17) weeks in duration provided she:

- (i) submits a written application for Pregnancy Leave at least two (2) weeks before the date on which the leave is to commence; and
  - (ii) if requested, provides a certificate from a legally qualified medical practitioner stating the expected birth date.
- (b) In the case of an employee who stops working because of complications caused by her pregnancy or because of a birth, still-birth or miscarriage that happens earlier than the employee was expected to give birth, the employee must, within two (2) weeks of stopping work, provide:
- (i) a written notice of the date pregnancy leave began or is to begin; and
  - (ii) a certificate from a legally qualified medical practitioner that:
    - (a) in the case of an employee who stops working because of complications caused by her pregnancy, states the employee is unable to perform her duties because of complications caused by her pregnancy and states the expected birth date; or
    - (b) in any other case, states the date of birth, still-birth or miscarriage and the date the employee was expected to give birth.

Unless Paragraph 1.01(b) applies, pregnancy leave may commence no earlier than seventeen (17) weeks before the expected birth date and no later than the earlier of the employee's due date or the day on which the employee gives birth. Such leave shall be for a continuous period and not intermittent.

- (a) Pregnancy leave of an employee who is entitled to take parental leave ends seventeen (17) weeks after the leave began.
- (b) Pregnancy leave of an employee who is not entitled to take parental leave or who elects not to take parental leave, ends on the later of the day that is seventeen (17) weeks after the leave began or the day that is six (6) weeks after the birth, still-birth or miscarriage.

#### 4.06 PARENTAL/ADOPTION LEAVE

##### 4.06.1 PARENTAL/ADOPTION LEAVE - Alberta

- (a) An employee who has been employed by **John Watson Ltd.** for at least fifty-two (52) consecutive weeks is entitled to parental or adoption leave without pay, up to a maximum period of thirty-seven (37) consecutive weeks. The employee is required to submit a written application for such leave at least six (6) weeks in advance of the date on which the parental or adoption leave is to commence unless the medical condition of the birth mother or child makes it impossible to comply with this requirement; or, in the case of adoption, the date of the child's placement with the adoptive parent was not foreseeable.
- (b) An employee who takes maternity leave and wishes to take parental leave must commence the parental leave immediately upon expiry of the maternity leave, without a return to work, unless agreed to otherwise by **John Watson Ltd.** and the employee. The employee's application for maternity leave is deemed to be notice of application for parental leave unless the application for maternity leave specifically excludes parental leave.

If both parents of the same child are employees, the parental or adoption leave granted under paragraph 1.01 may be taken wholly by one of the employees, or be shared by the employees. Only one employee may take parental or adoption leave at the same time. Employees who wish to share parental leave must advise **John Watson Ltd.** of their intention to do so. The total combined parental or adoption leave shall not exceed thirty-seven (37) weeks.

Parental/adoption leave must conclude not later than fifty-two (52) weeks after the day the child is born or comes into the custody, care and control of a parent for the first time.

- (a) Unless specified otherwise herein, insured employee benefits programs are discontinued for the duration of any parental or adoption leave at the end of the month in which the leave commences.
- (b) If permitted and approved by the benefits provider, employees may make appropriate arrangements, in advance, to maintain insured benefit plans related to life insurance, accidental death insurance, extended health and/or dental benefits beyond the period specified in paragraph 1.04(a) by making suitable arrangements regarding payment of the necessary premiums, including **John Watson Ltd.'s** share, if any, prior to the commencement of the leave.

#### **4.06.2 PARENTAL/ADOPTION LEAVE – British Columbia**

- (a) An employee who is the birth mother of a new-born child is entitled to Parental/Adoption Leave without pay, up to a maximum period of thirty-five (35) consecutive weeks in the case of an employee who takes Pregnancy Leave or thirty-seven (37) consecutive weeks if no pregnancy leave is taken.
- (b) An employee who is the birth father of a new-born child or an adopting parent of a child is entitled to Parental/Adoption Leave without pay, up to a maximum period of thirty-seven (37) weeks following the birth of a child or when a child comes into the custody, care and control of a parent through adoption.
- (c) If the child has a physical, psychological or emotional condition requiring an additional period of parental care, the employee is entitled to an additional five (5) consecutive weeks of unpaid leave beginning immediately after the parental leave ends.

#### **4.06.3 PARENTAL/ADOPTION LEAVE – Ontario**

An employee who has completed at least thirteen (13) weeks of employment and who is the parent of a child is entitled to Parental/Adoption Leave without pay, up to a maximum period of thirty-five (35) consecutive weeks if the employee also took Pregnancy Leave or thirty-seven (37) weeks, otherwise, following;

- (a) the birth of the child; or
- (b) when the child comes into the custody, care and control of a parent for the first time.

#### **4.07 BEREAVEMENT LEAVE**

- (a) In the event of a death of a member of an employee's Immediate Family, an employee is entitled to and shall be granted a Bereavement Leave for the purpose of arranging and/or attending the funeral.
- (b) A maximum of five (5) working days may be taken for Bereavement Leave.
- (c) Three (3) days of each Bereavement Leave shall be with pay and the remainder of the leave, to a maximum of five (5) days per bereavement, shall be without pay.
- (d) Note that this is a paid Company benefit, as the employment standards indicate three (3) days at no pay.

In the event of a death of Other Relatives employees may request a Bereavement Leave of one (1) working day with pay may be granted or Other Acquaintances or Friends, employees may request a Bereavement Leave of one (1) working day without pay may be granted. If attendance at the funeral requires extensive travel, unpaid leave of up to two (2) additional days may be granted.

#### 4.08 EDUCATION ASSISTANCE PROGRAM

**John Watson Ltd** provides an Education Assistance Program which offers reimbursement of tuition fees to encourage eligible employees to upgrade their education and/or skills by enrolling in part-time studies at recognized colleges or universities. Courses must be in their related field or current job description.

##### Eligibility

- (a) Full-time or Part-time employees who have completed their Probationary Period are eligible to apply for Education Assistance Program benefits **prior** to their enrolment in a course of study.
- (b) Employees must remain actively employed by **John Watson Ltd** throughout the duration of the course of study.

##### Basis of Education Assistance

- (a) A passing grade of 65% per course is required for reimbursements (course fees and textbook).
- (b) A maximum of two (2) courses per semester will be eligible for reimbursement.
- (c) Education Assistance Benefits for qualified Full-time employees are limited to the cost that John Watson Ltd has determined based on the length of employment.

Probationary Period	No course fees are to be reimbursed
1st year of employment	Up to a maximum reimbursement of \$400.00
2nd year of employment	Up to a maximum reimbursement of \$600.00
+3 <sup>rd</sup> year of employment	Full cost of course to be reimbursed to a maximum to be determined by employees' immediate <b>Manager</b> and <b>Human Resources Manager</b> .

Education Assistance Benefits for qualified Part-time employees are *pro rata* of those benefits available to full-time employees. The *pro rata* share is based on the vacation formula (Number of days worked in 1 week divided by 1 full week).

- (d) In addition, the company will reimburse the employee with one (1) required textbook (up to \$100.00), if any.
- (e) No reimbursement will be made for the cost of additional examination fees, transcript fees, transfer fees, registration fees, administration fees, cost of supplies, transportation or other such costs related to the course(s).
- (f) The Education Assistance Program applies to studies that are:
  - twenty (20) hours, or more, in duration;
  - offered by a recognized educational institution or professional organization;
  - in the case of non-degree courses, related to the specific job which the employee performs; or
  - in the case of degree courses, designed to enlarge and/or broaden an employee's knowledge and/or develop potential to assume greater responsibility within the organization.

#### 4.09 SEMINARS & CONFERENCES

**John Watson Ltd** pays for employee attendance at approved seminars and conferences.

#### 4.10 PROFESSIONAL ASSOCIATION MEMBERSHIP

**John Watson Ltd** reimburses employees for periodic professional association fees or dues required to maintain professional status. **John Watson Ltd** has sole discretion to determine whether professional status is a necessary qualification for the employee's current job or a foreseeable future position.

Professional Association membership fee reimbursements will only be available to full-time employees. The association fees are limited to the cost that **John Watson Ltd** has determined based on the length of employment:

Probationary Period	No professional fees reimbursed
1 <sup>st</sup> year of employment	Up to a maximum reimbursement of \$250.00
2 <sup>nd</sup> year of employment	Up to a maximum reimbursement of \$400.00
3 <sup>rd</sup> + year of employment	Up to a maximum reimbursement of \$500.00

#### 4.12 EMERGENCY LEAVE/PERSONAL LEAVE

An employee is entitled to emergency/personal leave, without pay; to a maximum of five (5) days for British Columbia and **Alberta**, and ten (10) days for **Ontario** for the following reasons:

1. To meet responsibilities related to the care, health or education of a child in the employee's care;
2. The illness, injury, medical emergency or an urgent matter that concerns any of the following individuals:
  - (a) the employee's spouse or same-sex partner.
  - (b) a parent, step-parent, foster parent or guardian of the employee, employee' spouse or same-sex partner.
  - (c) a child, step-child or foster child of the employee, employee' spouse or same-sex partner.
  - (d) a grandparent, step-grandparent, grandchild or step-grandchild of the employee, employee' spouse or same-sex partner.
  - (e) the spouse or same-sex partner of a child of the employee.
  - (f) the employee's brother or sister, half-brother, half-sister, step-sibling.
  - (g) any person who lives with the employee as a member of the immediate family.
  - (h) a relative of the employee who is dependent on the employee for care or assistance.
3. Employee illness/injury
4. Medical/professional services appointments (doctor, dentist, lawyer, etc)
5. Family problems
6. Weather
7. Education/training (unrelated to work)

The number of unpaid days of leave of absence granted under this or any other **John Watson Ltd.** leave of absences are included in the calculation used to determine whether the employee has reached the maximum of five (5) days for British Columbia and **Alberta** and ten (10) days for **Ontario** of emergency leave each year.



**John Watson Ltd.** is providing an additional benefit to each salaried employee by paying for the first three (3) emergency/personal leave days per calendar year for employees in British Columbia, **Alberta** and **Ontario**.

An employee's unused vacation time must be used prior to Personal Leave of Absence being assigned to any time taken off.

#### **4.14 COMPASSIONATE CARE LEAVE**

Subject to the presentation of an appropriate medical certificate and subject to paragraph 7.03, an employee is entitled to Compassionate Care Leave without pay, up to a maximum period of eight (8) weeks for the purpose of providing care or support to an immediate family member who has a critical medical condition with a significant risk of death within twenty-six (26) weeks.

#### **4.15 JURY or COURT WITNESS LEAVE**

An employee who is summoned for jury duty, or as a court witness, shall be granted Jury Leave or Court Witness Leave, with pay, for the period required, per the Employment Standards Act of BC. On conclusion of Jury or Court Witness Leave, the employee shall be reinstated to the position most recently held, if it still exists, or to a comparable position, if it does not.

Note that **Alberta** and the **Ontario** Employment Act does not provide for Jury or Court Witness Leave, therefore, **Alberta** and **Ontario** will follow the BC Employment Standard Act and the additional benefit that John Watson Ltd will provide.

An employee who is selected by the courts and is then granted Jury or Court Witness Leave by John Watson Ltd, may continue to receive pay at the employee's regular base wage for a maximum of **two (2)** weeks conditional on the employee

- (i) providing **John Watson Ltd** with a copy of the jury summons or summons to be a witness as soon as possible;
- (ii) submitting a certified statement of fees paid by the court, or any other parties for serving; and
- (iii) authorizing the deduction from regular base pay an amount equivalent to the fees paid by the court or any other party, if any, for serving as a juror or court witness. In this connection, fees do not include reimbursement to the employee by the court or any other party for expenses such as travel expenses.

An employee who is granted time off work for Jury or Court Witness Leave and whose services as a juror, or as a court witness, are no longer required is expected to return to work immediately if more than **three (3)** hours remain in the employee's regular work shift.

This policy does not apply to an employee who attends court as a plaintiff or defendant in a personal matter. An employee, who attends court as a plaintiff or defendant in a personal matter, is expected to use vacation time, or to make arrangements for an unpaid personal leave of absence in accordance with Personal Leave of Absence policy. Employees are expected to use accrued vacation and time in lieu prior to requesting an unpaid leave of absence.

#### **4.16 MILITARY LEAVE**

##### **Leave Entitlement**

- (a) Employees on the active payroll who are members of the reserve force of the Canadian Forces, are eligible for military leave of absence without pay if;
  - (i) the employee is deployed to a Canadian Forces operation outside Canada or is engaged, either inside or outside Canada, in a pre-deployment or post-



- deployment activity required by the Canadian Forces in connection with such an operation,
    - (ii) the employee is deployed to a Canadian Forces operation inside Canada that is or will be providing assistance in dealing with an emergency or with its aftermath.
  - (b) (i) Employees on the active payroll who have been continuously employed for at least one (1) year, and who are members of the reserve force of the Canadian Forces, are eligible for military leave of absence up to three (3) working days each year for the purpose of participating in training exercises required by the Canadian Forces. Such leave, if granted, shall be leave with pay. Additional military leave to a maximum of seven (7) working days each year, if granted, shall be without pay. The combined total of paid and unpaid military leave shall not exceed ten (10) working days in a calendar year.
  - (ii) An employee who requests leave under Paragraph (b)(i) is required to exhaust any time off in lieu of overtime or accrued vacation, save and except for two (2) weeks, prior to applying for a military leave of absence. All requests for military leave under paragraph (b) may or may not be granted at the sole discretion of the employee's **Manager** and/or the **Human Resources Manager**, as appropriate.

#### **Impact of Military Leave on Employee Benefits**

- (a) An employee who is granted leave under Paragraph (a) above is not eligible to continue participating in employee benefit programs during the period of the leave. The employee should ensure benefit coverage is arranged through the Canadian Forces.
- (b) Employees who are granted military leave under Paragraph (b) above may continue to participate in employee benefits programs subject to the following conditions:
  - (i) Subject to **John Watson Ltd's** insurance carrier's policies and paragraph (b) (ii) herein, where possible, employee benefits are continued for the duration of any military leave;
  - (ii) Employees must make appropriate arrangements, in advance, to maintain insured health and medical benefits by prepaying the necessary employee premiums, if any, prior to the commencement of a leave;
  - (iii) If the employee on military leave is covered by health and medical benefits provided by the Canadian Forces, **John Watson Ltd's** health and medical benefits carrier becomes the second payer and the Canadian Forces insurance carrier shall be the primary payer;
  - (iv) Employee eligibility for continued death, dismemberment and disability insurance while on military leave will be determined by **John Watson Ltd's** insurance carrier at the time, and **John Watson Ltd** will not be responsible for procuring additional coverage.

#### **Length of Employment**

An employee's military leave shall be included in any calculation of an employee's length of service or seniority.

#### **Written Notice of Leave Beginning and Ending**

- (a) An employee who requests military leave is required to give a minimum of four (4) weeks of written notice to his or her manager of the date on which the leave is to commence and the date on which the leave is expected to end. If the employee must begin the leave in less time than the specified notice period, the employee shall advise the manager of the leave as soon as possible.
- (b) An employee who intends to end a military leave later than the notice provided must provide a new notice containing the amended return to work date at least four (4) weeks

prior to the new return to work date.

#### **Reinstatement After Leave Ends**

On conclusion of military leave, the employee shall be reinstated to the position most recently held, if it still exists, or to a comparable position, if it does not, at the same wage rate the employee enjoyed at the time the employee's leave commenced.

**John Watson Ltd.** may require an employee who takes a leave under this policy to provide evidence that the employee is entitled to the leave. When evidence is required, the employee shall:

- (a) provide the prescribed evidence, or evidence reasonable in the circumstances if no evidence is prescribed; and
- (b) provide the evidence at the prescribed time, or at a time reasonable in the circumstances if no time is prescribed.

#### **4.17 STAFF PURCHASES & DISCOUNT PROGRAMS**

**John Watson Ltd** provides the employees the opportunity to purchase company products at a discount, in accordance with the terms and conditions set out in this policy.

All staff purchases will be priced at cost plus 10% plus applicable taxes. Discontinued or sales items will be at the sales price plus applicable taxes.

All purchases are COD and made at time of purchase (cash/debit/credit cards). No credit sales to accounts or layaways.

This privilege is extended for personal purchases only (not for resale), and abuse of the system will mean revoked discount.

#### **4.18 COMPANY VEHICLES**

Where deemed necessary for the effective performance of job duties, **John Watson Ltd** shall provide the employee with a company vehicle to use for business purposes, in accordance with the terms and conditions set out in this policy.

The equipment remains the property of John Watson Ltd and must be returned immediately upon request or upon the termination of the employee's employment, whichever occurs first.

#### **4.19 TRAVEL POLICY**

**John Watson Ltd** provides the reimbursement of reasonable expenses necessarily incurred while travelling on company business and do not constitute income or other compensation that would open the way for personal gain.

Meals may be claimed at the amount shown on receipts submitted including Taxes and a maximum 15% gratuity on the meal costs. Receipts must be provided and attached to the expense report, including the Visa/MC slip, if charged

If accompanying a customer to lunch or dinner, the customer's name and company name must be recorded on the back of the receipt and visa/mc slip.

Where no receipt is submitted, a maximum of the following may be claimed,:

Breakfast	\$10.00
Lunch	\$15.00
Dinner	\$25.00

A meal allowance may not be claimed for any meal which is provided to the employee and does not require an expenditure by the employee such as meals provided as part of a seminar, conference, air flight, etc...

Lodging may be claimed at the amount shown on receipts submitted. Employees shall request a corporate rate upon registering at a hotel or motel. Watson Gloves shall cover costs related to the room, one movie rental per night and any applicable taxes only (will not cover bar fridge). Receipts from meals charged to hotel rooms must be attached to the hotel receipt.

Travel by commercial carrier such as airlines, rail, taxi or bus may be claimed at the amount shown on receipts submitted. At the Economy class or seat sale rates.

Rental vehicles will be for compact or mid size vehicles only. Receipts must also be submitted.

Travel by personal vehicle may be claimed at the current CRA rates (\$0.52 per kilometre for first 5000 KM and \$0.46 thereafter) while on Watson Gloves business. Employees driving personal vehicles for business travel must maintain valid insurance coverage of minimum one (1) million dollars of public liability at all times at the employees' own expense. Employees must comply with the **John Watson Ltd.** Safety Policy and Safe Work Practices. This is ignored if using a company vehicle.

Travel expenses of spouses accompanying **John Watson Ltd.** staff at seminars, conferences or other **John Watson Ltd.** business shall not be covered by **John Watson Ltd.**

When an employee receives a discount, credit or bonus for travel that reduces the original travel cost, only the net expense may be claimed. This clause is not applicable when the employee receives a rebate, credit or privilege for using a personal credit card for which a fee has been paid.

#### 4.20 GASOLINE CREDIT CARDS

**John Watson Ltd** provides the employees, with a Gas Card, for business purposes only, in accordance with the terms and conditions set out in this policy.

The Gas Cards remains the property of **John Watson Ltd** and must be returned immediately upon request or upon the termination of the employee's employment, whichever occurs first.

#### 4.21 PERSONAL MOBILE DEVICES

**John Watson Ltd** recognizes that many employees bring personal mobile devices (Cellular/Mobile Phones, Blackberries, i-Phones, Smartphones, etc) to work, however the use of these during work hours are to be limited to the locations noted below, in accordance with the terms and conditions set out in this policy.

**John Watson Ltd.** employees must exercise the same discretion in using personal mobile devices as they would with Company phones. All personal calls and text messaging are to be

kept at a minimum and during appropriate times at work. It is also requested that family and friends be made aware of this policy. Personal calls, text messaging, social media updating, and internet browsing during work hours can interfere with employee productivity as well as the productivity of others. The Company will not be liable for the loss of personal mobile devices brought to work.

#### **4.22 COMPANY MOBILE DEVICES**

Where deemed necessary for the effective performance of job duties, **John Watson Ltd** shall provide the employee with a mobile device to use for business purposes only, in accordance with the terms and conditions set out in this policy.

The equipment(s) remains the property of **John Watson Ltd** and must be returned immediately upon request or upon the termination of the employee's employment, whichever occurs first.

#### **4.23 CAR ALLOWANCE**

Where deemed appropriate by the President, John Watson Ltd shall provide certain employees with a Car Allowance. John Watson Ltd reserves the right to amend the allowance amounts.

## SECTION 5: EMPLOYEE RELATIONS

### 5.01 EMPLOYEE RELATIONS PRINCIPLES

**John Watson Ltd** believes that only through the fulfilment of individual needs for personal and professional growth can it achieve its goal of being a successful enterprise. Because our success depends upon the quality and commitment of our employees, our objectives are to employ the best people available and to maintain a high quality working relationship with all our employees, based upon mutual trust, respect, courtesy and tolerance. To this end, we strive to:

- provide a work environment which is free of discrimination and/or harassment.
- provide a work environment that encourages self-motivation and initiative.
- provide fair rewards for sustained job performance.
- encourage open and frank dialogue about work and/or business issues.
- offer equal opportunity for personal development, career growth and advancement based on individual ability and demonstrated job performance.
- provide healthy and safe working conditions for all.

### 5.02 DISPUTE RESOLUTION

**John Watson Ltd** believes in resolving employee concerns and disputes, related to their employment relationship, in a prompt and equitable manner.

Employees who express any concerns, or lodge a formal complaint under this policy, or who provide information regarding a complaint under this Statement of Policy and Procedure may do so without fear of retaliation or reprisal.

### 5.03 WORKPLACE HARASSMENT

**John Watson Ltd** believes in providing and maintaining a work environment in which all employees are free from workplace harassment, sexual/racial harassment and discrimination. Such actions are not tolerated and, where possible, are to be redressed.

Retaliation or reprisals are prohibited against any employee who has complained under this Statement of Policy and Procedure, or has provided information regarding a complaint. Any retaliation or reprisals are subject to immediate corrective action, up to and including termination. Alleged retaliation or reprisals are subject to the same complaint procedures and penalties as complaints of discrimination and harassment.

**John Watson Ltd** recognizes that individuals may find it difficult to come forward with a complaint under this Statement of Policy and Procedure because of concerns of confidentiality. Therefore, all complaints concerning workplace or sexual harassment or discrimination, as well as the names of parties involved, shall be treated as confidential.

**John Watson Ltd's** obligation to conduct an investigation into the alleged complaint may require limited disclosure. No record of the complaint will be maintained on the personnel file of the complainant. If there is a finding of improper conduct that results in disciplinary action, it will be reflected only on the file of the person who engaged in such conduct, in the same way as any other disciplinary action.

This Workplace harassment Policy does not only refer to your co-workers or any other

employees, but will not be tolerated against or from the company's clients (customers), consultants, and suppliers (vendors).

#### **5.04 WORKPLACE ACCOMMODATION on the BASIS of DISABILITY**

Provided a person with a disability is able to perform the essential duties of their own job or other available work and requests accommodation in order to do so, **John Watson Ltd** will try to accommodate that person.

#### **5.05 CONDUCT & BEHAVIOUR**

Regulations for the acceptable conduct and behaviour of employees are necessary for the orderly operation of any business, for the benefit and protection of the rights and safety of employees and the protection of **John Watson Ltd's** assets. Employees are expected to govern their conduct and behaviour in a manner consistent with the guidelines set out herein.

**John Watson Ltd** is committed to maintaining a work environment that is free of illegal drugs, firearms, explosives, or other improper materials. The possession, transfer, sale, or use of such materials on company premises or during the conduct of **John Watson Ltd's** business is prohibited. A breach of this policy will result in discipline up to and including discharge.

#### **5.06 DISCIPLINE**

It is the policy of **John Watson Ltd** to be patient, fair and tolerant in the administration of its employees, and to encourage employees to exercise self-discipline at all times in their conduct and performance. However, repeated, wilful or inexcusable breaches of policies, standard operating practices or normal business ethics are not acceptable and shall be dealt with in accordance with the provisions of this Statement of Policy and Procedure.

Depending on the severity of the concern and the number of past occurrences, disciplinary action may call for any of five corrective steps:

- informal counselling,
- verbal warning,
- written warning,
- suspension (with or without pay), or
- termination of employment.

Except for termination of employment, any step of the disciplinary procedure may be repeated more than once, if necessary.

#### **5.07 PERSONAL INFORMATION PROTECTION**

**John Watson Ltd** is committed to protecting the privacy of its employees, clients/customers and confidential business information.

Employees are obligated to ensure that personal information to which they may have access remains confidential, and is only used for the purposes for which it was collected, is not disclosed without authorization or used for personal gain.

Employees are required to follow all procedures regarding collection, use, and disclosure of personal information as set out in this policy.

Employees who disclose personal information, contrary to this policy will be subject to disciplinary measures, up to and including discharge for cause.

**Privacy Manager – Human Resources Manager** is accountable for the implementation of this policy. Any issues or questions regarding this policy should be directed to the **Human Resources Manager**.

## 5.08 E-MAIL & INTERNET USE

**John Watson Ltd's** e-mail and Internet resources are business systems for use by authorized employees to conduct legitimate **John Watson Ltd.** business only. Some examples of permitted and prohibited uses are shown in Attachment A to this policy. Use of an Internet/e-mail connection for any purpose that is not specifically related to **John Watson Ltd.** business is prohibited during working hours. Some incidental and occasional personal use of these systems is permitted outside of working hours subject to the sections below.

Although **John Watson Ltd.** respects the privacy of its employees, employee privacy does not extend to the employee's use of **John Watson Ltd's** e-mail and Internet systems. No person using such resources should expect privacy in their communications. All e-mail communications and information downloaded from the Internet constitute company property.

All users of **John Watson Ltd's** e-mail and Internet resources must adhere to the terms of this policy. A copy of this policy shall be provided to each user and each user is required to sign an acknowledgement of receipt. The form shown in Attachment B to this policy is used for this purpose.

## 5.09 RELIGIOUS ACCOMMODATION

**John Watson Ltd.** will endeavour to accommodate an employee's request for religious accommodation and agrees that any such request will not unreasonably be denied, unless to do so would cause undue hardship to the Company.

- (a) The employee must request the accommodation, in writing, at least two (2) weeks in advance of the religious observance in question.
- (b) Each day or part day taken for a religious observance is deemed to be the equivalent of one (1) regular work day.
- (d) The employee may use earned vacation days;
- (ii) The employee may take a leave of absence without pay; or
- (iii) Subject to the British Columbia *Employment Standards Act*, *Employment Standards Code (Alberta) and Regulations*, and the *Ontario Employment Standards Act, 2000* (as amended), the employee may make up the time by working on a secular holiday when the facility is operating, in which case the employee will be paid for the substituted shift at his/her regular rate;

## 5.10 DRESS CODE

All employees of **John Watson Ltd.** are expected to dress in business casual attire and act in a manner that projects a positive image of the company to clients, customers, co-workers and the public.

Employees are expected to present a clean and neat appearance at all times.

Friday are deemed as casual Fridays where the dress code will be relaxed to allow jeans to be worn. Business and client service needs override this privilege and regular business

casual attire may be required to be worn in some circumstances.

Employee's who work weekends, and not meeting clients, may dress in casual.

## 5.11 WHISTLEBLOWER PROTECTION

(a) Where an employee, acting in good faith and on the basis of reasonable belief, becomes aware of actual, suspected or intended misconduct, unlawful activity, suspicious financial management, or other accountability concerns, he or she has a duty to report such misconduct or incidents, as soon as learning of them, to lawful authorities.

(b) An employee, acting in good faith and on the basis of reasonable belief, may refuse to carry out any order or direction, which is illegal, unethical, or against company policy and which is given by an individual who has direct or indirect control over the employee's employment. Such refusals must be reported immediately to lawful authorities.

(c) Employees are expected to co-operate fully with lawful authorities during any investigation or proceeding related to acts of alleged misconduct or work refusals under this policy.

No employee shall be subject to discipline, termination, demotion, or any form of retaliation, including but not limited to, intimidation, harassment, financial penalty or other threats by reason that:

(a) the employee, acting in good faith and on the basis of reasonable belief, reports actual, suspected or intended misconduct as outlined in paragraph (a); or

(b) the employee, acting in good faith and on the basis of reasonable belief, refuses to carry out an order or direction which is illegal, unethical, or against company policy and reports such refusals in accordance with paragraph (b); or

(c) the employee cooperates with, or provides information to, or testifies in any proceeding against a member of **John Watson Ltd** regarding situations.

Nothing in this policy is meant to take precedence over an employee's duties under federal or provincial law, or common law. Any unlawful misconduct or incident, which may affect public safety, must be reported to the proper lawful authorities immediately.

Information regarding any alleged misconduct, the identity of the reporting person, and any details of the alleged misconduct or investigation, shall be held in confidence by those to whom or through whom the misconduct is reported, including the **Human Resources Manager** or other lawful authorities, except as required by this policy or by law. Any employee who breaches this confidentiality requirement shall be subject to discipline up to and including termination for cause.

Complaints or reports of misconduct shall be fully investigated, and any employee found to have participated in actions of misconduct shall be subject to discipline, up to and including termination for cause.

An employee who makes a complaint or report of misconduct which is found to be both unfounded and made with malicious intent will be subject to disciplinary measures up to and including termination for cause.

## 5.12 PROVINCIAL & FEDERAL VOTING British Columbia Provincial Elections



General Polling Hours are from 8AM through 8PM (Pacific Time). Each employee is to be afforded **four (4)** consecutive hours free from employment during Polling Hours.

In instances where an established working schedule does not allow for a full four (4) consecutive hours, it is incumbent upon the employee to advise their Manager and/or Supervisor whether or not they will require additional time before or after their established shift to ensure there is a four (4) hour window of opportunity to vote.

In connection with operational consideration, **John Watson Ltd.** reserves the right to decide what portion of the day an employee may take to participate in the electoral process should there be an overlap between regularly scheduled work and the time available to vote.

### **Alberta Provincial Elections**

In accordance with the **Alberta** Elections Act, the General Polling hours on the General Voting Day are defined as 9AM through 8PM (Mountain Time), **John Watson Ltd.** is required to ensure that each employee be afforded **three (3)** consecutive hours free from employment during voting hours.

In instances where an established working schedule does not allow for a full three (3) consecutive hours, it is incumbent upon the employee to advise their Manager and/or Supervisor whether or not they will require additional time before or after their established shift to ensure there is a three (3) hour window of opportunity to vote.

In connection with operational consideration, **John Watson Ltd.** reserves the right to decide what portion of the day an employee may take to participate in the electoral process should there be an overlap between regularly scheduled work and the time available to vote.

### **Ontario Provincial Elections**

In accordance with the **Ontario** Elections Act, the General Polling hours on the General Voting Day are defined as 9AM through 8PM (Eastern Time), **John Watson Ltd.** is required to ensure that each employee be afforded **three (3)** consecutive hours free from employment during voting hours.

In instances where an established working schedule does not allow for a full three (3) consecutive hours, it is incumbent upon the employee to advise their Manager and/or Supervisor whether or not they will require additional time before or after their established shift to ensure there is a three (3) hour window of opportunity to vote.

In connection with operational consideration, **John Watson Ltd.** reserves the right to decide what portion of the day an employee may take to participate in the electoral process should there be an overlap between regularly scheduled work and the time available to vote.

### **Canadian Federal Elections**

Employees who are Canadian citizens and at least 18 years old must be allowed three consecutive hours in which to vote on election day. If an employee's hours of work do not allow **three (3)** consecutive hours in which the polls are open, then the employer must allow the time.

- (1) The voting hours on polling day are
  - (a) from 7:00 a.m. to 7:00 p.m., if the electoral district is in the Pacific time zone; and
  - (b) from 7:30 a.m. to 7:30 p.m., if the electoral district is in the Mountain time zone;

- and
- (c) from 9:30 a.m. to 9:30 p.m., if the electoral district is in the Eastern time zone; and
  - (d) from 8:30 a.m. to 8:30 p.m., if the electoral district is in the Newfoundland, Atlantic or Central time zone.

Exception – Saskatchewan:

- (2) Despite subsection (1), if polling day is during a time of the year when the rest of the country is observing daylight saving time, the voting hours in Saskatchewan are
  - (a) in the case of an electoral district in the Mountain time zone, from 7:00 a.m. to 7:00 p.m.; and
  - (b) in the case of an electoral district in the Central time zone, from 7:30 a.m. to 7:30 p.m.

## SECTION 6: HEALTH AND SAFETY

### 6.01 HEALTH & SAFETY PRINCIPLES

**John Watson Ltd** strives to create and maintain a safe workplace in order to minimize and/or prevent occupational injuries and illnesses. Consistent and continuous efforts by all employees shall be directed to preventing workplace accidents and maintaining the workplace and equipment in a safe condition.

At all times, **John Watson Ltd** and its employees are required to observe and comply with the requirements of the British Columbia *Workers Compensation Act, Occupational Health and Safety Act and Regulations (Alberta)*, *Occupational Health and Safety Act and Regulations (Ontario)*.

Everyone who undertakes, or has the authority, to direct how another person does work or performs a task is under a legal duty to take reasonable steps to prevent bodily harm to that person, or any other person, arising from the work or task.

### 6.02 ACCIDENT & INJURY REPORTING

Any accident that results in a workplace injury (no matter how slight), or could cause a disabling injury or property/equipment loss (near-miss), must be reported immediately to the employee's immediate supervisor. At a minimum and in all cases, accident and/or injury reporting shall comply with the requirements of the British Columbia *Workers Compensation Act*, *Occupational Health and Safety Act and Regulations (Alberta)*, *Occupational Health and Safety Act and Regulations (Ontario)* and the *Workplace Safety and Insurance Act, 1997 (Ontario)* and regulations

In the case of an accident that results in an escape or spill of a hazardous or polluting substance into the environment, the person who has control of the substance shall immediately notify the British Columbia Provincial Emergency Program at 1-800-663-3456, in Alberta the Ministry of the Environment Hotline at 1-800-222-6514, or in Ontario the Ontario Ministry of the Environmental Spills Action Center at 1-800-268-6060, or local police, whichever is more expedient, and the person's immediate supervisor, in accordance with the reporting requirements of the British Columbia *Environmental Management Act.*, *Alberta Environmental Protection and Enhancement Act*, and *Ontario Environmental Protection Act*.

### 6.03 ACCIDENT INVESTIGATION

All workplace accidents or other incidents must be investigated immediately if the incident

(a) results in injury requiring medical attention or death, or could have caused injury or death,

(b) involves significant property/equipment loss (near-misses)

(c) involves major structural failure or collapse of a building, bridge, tower, crane, hoist, temporary construction support system or excavation, or

(d) involves the escape or spill of a hazardous or polluting substance into the environment.

(e) involves an unplanned or uncontrolled fire, explosion, or flood that causes or may have caused injury;

#### 6.04 PERSONAL PROTECTIVE EQUIPMENT

It is the policy of **John Watson Ltd.** to ensure that all employees, and visitors to the company's operations wear proper personal protective equipment, as necessary, for their protection, in accordance with prescribed health and safety standards.

#### 6.05 JOINT HEALTH & SAFETY COMMITTEE

**John Watson Ltd.** shall establish and maintain a Joint Health and Safety Committee (JHSC) in British Columbia and Ontario Offices, and <Alberta> Joint Work Site Health and Safety Committee (JWSHSC). The membership of the Committee shall be comprised equally of at least two (2) employee representatives and two (2) representatives of management. The Committee shall conduct its meetings, business and proceedings in compliance with the Workers Compensation Act and Regulations.

**John Watson Ltd.** fully supports the work of the JHSC in making **John Watson Ltd.** a healthier and safer place to work and will endeavour to co-operate with the JHSC/ JWSHSC whenever possible.

All managers, supervisors and employees are expected to extend their full cooperation and support to the Committee and its individual members.

#### 6.06 WORKING ALONE

**John Watson Ltd.** will make every reasonable effort to schedule work to minimize the incidence of employees working alone or in isolation. However, we recognize that there are certain circumstances in which employees will be required to work alone.

When employees are required to work alone or in isolation, **John Watson Ltd** is committed to providing and maintaining procedures which will promote a safe and healthy work environment.

#### 6.07 WORKPLACE VIOLENCE

**John Watson Ltd.** does not tolerate violence or unacceptable behaviour in the workplace perpetrated by or against employees, customers, clients, or other third parties. In the event of a violent incident or unacceptable behaviour perpetrated by an employee, **John Watson Ltd.** will act to severely discipline the employee, up to and including discharge for cause.

A copy of this policy shall be provided to each new employee as part of the employee's hiring documentation.

#### 6.08 EMERGENCIES & BUSINESS INTERRUPTIONS

In any emergency or business interruption, **John Watson Ltd.** has a responsibility to ensure the safety of its employees, customers and the public, and to manage emergencies and business interruptions to minimize loss and inconvenience to all concerned.

#### 6.09 SCENTED PRODUCTS IN THE WORKPLACE

The use of scented products and fragrances by an individual is a matter of personal choice; however, **John Watson Ltd.** reserves the right to require an employee to discontinue the use of a particular scented product or products in order to accommodate another employee's sensitivity to such products.

Employees are expected to minimize their use of and to be courteous and respectful in their use of scented products and fragrances while attending at the workplace.

**John Watson Ltd.** shall endeavour to use only unscented cleaning products, where possible, and where not possible, that the scented product is only used in places or at times when few people will be exposed to the product's scent.

#### **6.10 INFORMATION SYSTEMS DATA BACK-UP**

In order to ensure that the data resident on the operational systems is safeguarded appropriately, the Manager responsible for the Information Systems of John Watson Ltd shall ensure that the data on all operational systems are appropriately backed-up to mitigate the business risk of losing this data.

**End of Document**